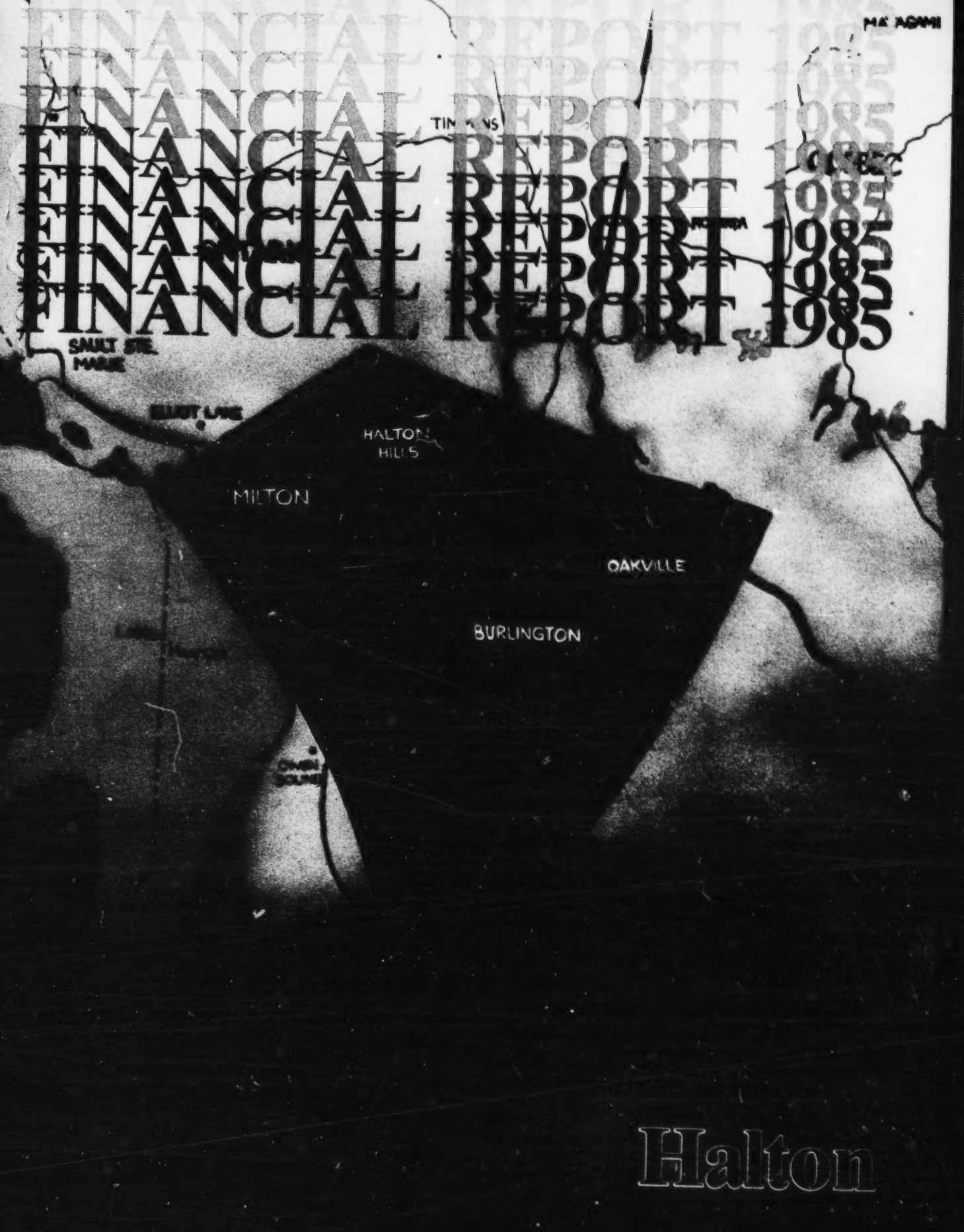
# FINANCIAL REPORT 1985




Halton

86-06775/



Halton -
Centre of Success

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# Chairman's Message

On behalf of Halton's elected representatives, I welcome the opportunity to present the 1985 Financial Report. This report highlights a year of continued financial success as well as our most successful economic development year ever.

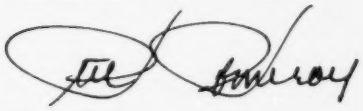
In 1985 there were record housing starts, over 300 new firms located or started business in Halton, and many new jobs created. This growth is a tribute to the resourcefulness and co-operation of our business community, municipal governments, and our citizens.

Halton's diverse economy, its skilled and stable labour force, as well as its tremendous community facilities, will once again make our Region an attractive business location.

The introduction of "911 Emergency Service" now provides our residents with faster and easier access to Police, Fire, and Ambulance on a 24-hour basis.

Some of the other 1985 initiatives include significant increases in Day Care Services, a commitment by your Council to redevelop the Halton Centennial Manor property, state-of-the-art computer-aided dispatch and records management for the Halton Regional Police Force, and automation of the Regional offices to provide our employees with the tools necessary for future productivity improvements.

Again, on behalf of Council and our employees, we will continue our commitment to providing the best possible service to our citizens in the most cost-effective way.



Peter Pomeroy
Chairman
Halton Region

# Profile of Halton

*The Regional Municipality of Halton*

Halton, one of Canada's fastest growing communities, consists of four area municipalities: the City of Burlington, and the towns of Halton Hills, Milton and Oakville. Within the past 20 years, Halton has attracted substantial industrial and commercial development along with corresponding residential growth, because of its prime location and the availability of a full range of support facilities.

Located within 400 miles of half the population and markets of North America, Halton is at the center of success. To the east is Toronto, Canada's financial capital. To the west is Hamilton, the country's industrial capital.

An excellent transportation network, highlighted by three major corridors, Highway 401, the Queen Elizabeth Way, and Highway 403, links Halton with 20 million consumers, all within a day's drive.

Air transportation is provided by the Lester B. Pearson International Airport which is located right on Halton's doorstep. Halton is serviced by both Canada's national railways, the C.N.R. and the C.P.R., and with modern rail commuter services provided to both Toronto and Hamilton by the GO Transit System.

With 15 miles of frontage on Lake Ontario, Halton has access to the Great Lakes and the St. Lawrence Seaway Systems.

When it comes to lifestyle, Halton provides a pleasant environment for family living with a good supply of attractive and varied housing, and an educational system that ranks with the best.

Glen Abbey Golf Course
Home of the Canadian
Open (Oakville)

## Burlington

Burlington is among the fastest growing cities in all of Canada. In less than 25 years, the population has exploded from 20,000 to nearly 120,000. Strategic location is the reason. Burlington is situated in the heart of the Golden Horseshoe... Toronto on the east, Hamilton to the west and across the lake, the vast United States market.

The city's phenomenal growth has been carefully planned. Beautiful residential neighbourhoods climb from the shores of Lake Ontario to the picturesque Niagara Escarpment. Sound planning is also seen in the placement of schools, libraries, recreational facilities, modern enclosed malls and in charming theme boutiques found in the downtown core.

The people of Burlington support their city. Their efforts made possible the award-winning library, an excellent 500 bed hospital, the renowned Teen-Tour band and the latest tribute to public initiative, the Burlington Cultural Centre. In this modern building across from the lakeside Spencer Smith Park, residents can create and exhibit their crafts and art.

Burlington's recreational program is designed to satisfy the entire family year 'round. Spread throughout the urban and rural areas are 676 acres of parkland, a modern YMCA, racquet clubs, ice rinks, pools, golf courses, baseball diamonds and soccer pitches. For the boating enthusiast, the city provides a variety of launching ramps and moorings.

Burlington is clean, beautiful and progressive... the kind of environment where families have an opportunity to enjoy the good life.

Royal Botanical Gardens
(Burlington)

## Oakville

It was the year 1828 when William Chisholm established Oakville. Built at the mouth of Sixteen Mile Creek and Lake Ontario, the town soon became a major port and commercial centre. The Chisholm Estate still stands among other early homes as a reminder of the town's lakeshore heritage.

Oakville residents still focus their recreational and cultural activities around the lake. One beautiful example is Gairloch Gardens. Formerly a private estate, this waterfront oasis offers rolling lawns and brilliant colour in beds of flowers and in the works of art at Gairloch Gallery. Equally impressive is the lakeshore campus of Appleby College, Oakville's prestigious private school for boys.

The lake schooners of yesterday are history, replaced now by sleek yachts and power craft which slip out into Lake Ontario from the Bronte and Oakville recreational harbours. The east bank of the Oakville Harbour is the location of Centennial Centre which features an extensive public library, swimming pool and theatre for the performing arts.

In the northern part of the town is the challenging Glen Abbey Golf Course designed by Jack Nicklaus as the permanent home of The Canadian Open. Soon this course will be surrounded by a major residential, industrial and commercial area. Also in North Oakville is the Sheridan College campus and, to the west, the Bronte Creek Provincial Park... a 2,000 acre recreation area.

Oakville wears its heritage proudly, but like its founder, William Chisholm, the town recognizes its growth potential. The coming decade will see a marked increase in population, commerce and industry, yet Oakville's future development, as in the past, will be tempered by tradition.

## Milton

Milton is a mere thirty minute drive from downtown Toronto. Yet in spite of this urban proximity and the town's significant commercial / industrial growth, Milton has preserved its home town character and community spirit.

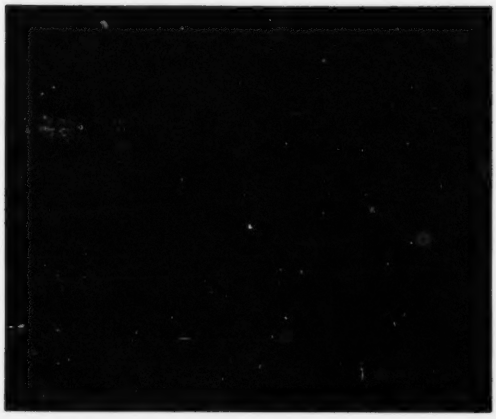
Visitors and newcomers enjoy a warm welcome and are soon caught up in the small town community life. Should you be fortunate enough to visit Milton on July 1st, you'll find Community Day in full swing. It's the event of the year... a genuine display of the friendliness and community involvement that characterizes the town of Milton.

While the urban area of Milton contains a growing list of sophisticated industries, the community's link with its rural heritage is still alive and well. It can be found at the Farmer's Market held Saturdays during the summer and fall. You will also discover this link with the past at the ninety-two acre Agricultural Museum with its fascinating displays of early farm equipment and restored farm buildings. And it is evident at the Steam Era Festival, celebrated in September, when people come from near and far to relive the days when giant tractors and other farm equipment were propelled by steam power.

Milton is a mecca for enthusiasts of outdoor life. The 578 acre Kelso Park offers swimming, sailing and picnicking in summer. During the winter months, Kelso attracts thousands of skiers, tobogganners and snowmobilers. For hikers, Milton offers the Bruce Trail... an opportunity to enjoy the spectacular scenery of the Niagara Escarpment.

For the less adventurous there are antique shops to explore. Fine dining is offered at several unique restaurants and, for real excitement, you can enjoy an evening of horse racing at the fabulous Mohawk Raceway.

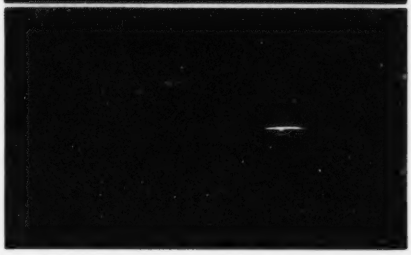
Milton is justifiably proud of its rural heritage, yet it has not overlooked the amenities that contribute to future growth and development. Good shopping, housing, education and religious facilities are an integral part of Milton... a friendly community on the move.



Kelso Conservation Area (Milton)

## Halton Hills

Georgetown business section



Downtown Acton

Halton Hills is a municipality with two separate urban centres... Georgetown and Acton. Each centre has its own distinct character, yet both are tied historically to nearby Toronto. In the early 1900's the communities were linked with the "big city" by high speed electric trains. These radial trains were the forerunners of the modern GO train service that carries commuters to and from Toronto today.

While both centres cherish their beginnings, the residents are progressive in thought and deed. Visitors to Halton Hills are quick to recognize the active involvement of the people. Excellent recreational and social facilities are results of this community spirit.

Summer and winter sports activities abound for all ages. Three municipal pools offer organized swimming and water safety instruction for the entire family. Two excellent golf courses test the endurance of the duffer and the skills of the low handicap player. Sport fishing is also a popular activity. Anglers can be found along the banks of the Credit River at Georgetown. In addition to fishing, Acton's picturesque Fairy Lake offers boating, swimming and a favourite location for family picnics. The recent upsurge in racquet games has not been ignored either. Excellent tennis and squash courts are available to these sports enthusiasts.

Georgetown is the home of the little NHL so, naturally, organized hockey dominates the winter scene at all three Halton Hills arenas. The rolling terrain and natural beauty of rural Halton Hills make it ideal for cross-country skiers. The community is also enriched both culturally and religiously. There are well-stocked libraries, excellent public and secondary schools, plus historical churches of most faiths.

While the commercial ties with Toronto continue strong, the residents of Halton Hills enjoy the friendliness and more personal life style of suburban living.

# Halton's Organization



The Regional Municipality of Halton is governed by a Regional Council consisting of 24 elected members and a regional chairman chosen by Council. The four mayors for each area municipality automatically hold a seat and the other councillors are elected by wards to both their local council and Regional Council.

Regional Council is supported by three standing committees. They are the Administration and Finance Committee, the Planning and Public Works Committee, and the Health and Social Services Committee. The regional chairman sits on all three standing committees and each councillor sits on one of the three standing commitees. The Administration and Finance Committee oversees the budget process and deals with matters related to finance, personnel, law and administration. The Planning and Public Works Committee deals with matters related to regional roads, water and sewer services, and waste disposal. The Health and Social Services Committee deals with matters related to the Halton Centennial Manor, social services, and health services.

Special committees and sub-committees are formed as major issues arise requiring more attention and time from the committees.

There are also many local committees and boards that have representatives from Regional Council.

The provision of services for which Halton is responsible is administered by the Chief Administrative Officer through a support staff composed of eight regional departments and various boards and commissions. The Chief Administrative Office ensures development and adherence to administrative policies and procedures, that council receives sound and co-ordinated advice from senior staff, overall corporate planning, and the provision of the following services:

## ADMINISTRATION

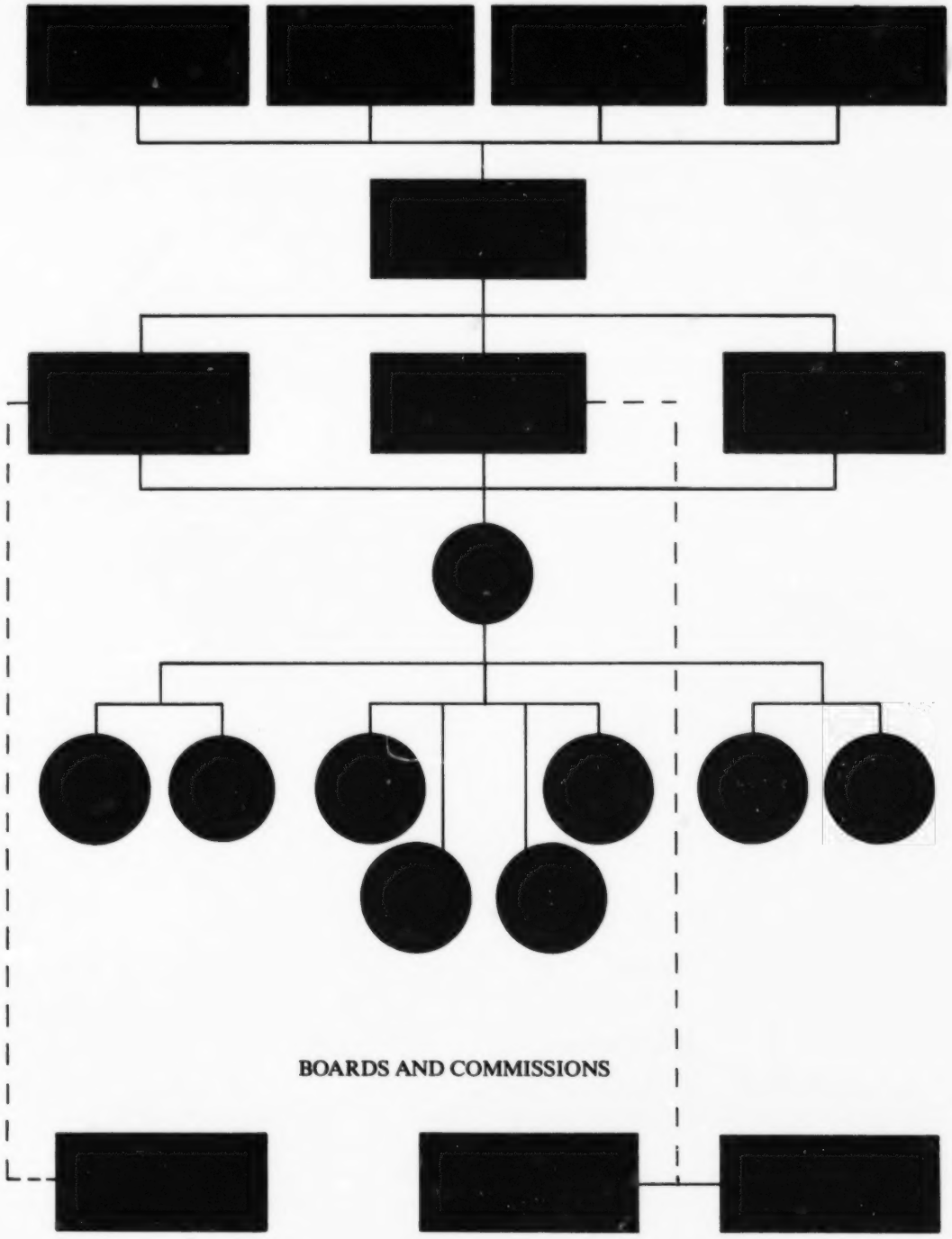
- Legislative Services
- Administrative Services
- Legal Services
- Personnel Services
- Finance and Debt Issuance

## OPERATIONS

- Regional planning, pattern of development, subdivision and severance approvals
- Supply, purification and distribution of water
- Collection and treatment of sanitary sewage, industrial waste, and sewage sludge disposal
- Solid waste disposal
- Regional roads and storm drainage on regional roads
- Emergency planning co-ordination
- Co-ordination of fire services
- Social services
  general assistance
  assistance to children
  home for the aged
- Public health services
- Museum
- Halton-wide business development and tourism
- Municipal funding for the Children's Aid Society, Conservation Authorities and local hospitals
- Other regional services are administered indirectly by the various boards and commissions of the Halton Regional Police Force, the Children's Aid Society, Conservation Authorities, and the local hospitals by having representatives of Regional Council on the boards or commissions of each of these organizations with Halton responsible for municipal funding.

# Halton's Organization





# Halton's Members of Council



Term of Office
December 1, 1985 to November 30, 1988

**CHAIRMAN**

**Peter Pomeroy**

**CITY OF BURLINGTON**

**Mayor Roly Bird**

Councillor Robert Forbes
Councillor James Grieve
Councillor Joan Little
Councillor Ted MacDonald
Councillor Patrick McLaughlin
Councillor Walter Mulkewich
Councillor Barry Quinn
Councillor Joyce Savoline

**TOWN OF MILTON**

**Mayor Gordon Krantz**

Councillor Brad Clements
Councillor William Johnson

**TOWN OF OAKVILLE**

**Mayor William Perras**

Councillor Peter Arch
Councillor Liz Behrens
Councillor Keith Bird
Councillor Kevin Flynn
Councillor John Graham
Councillor Fred Oliver

**TOWN OF HALTON HILLS**

**Mayor Russell Miller**

Councillor R.O. Bonnette
Councillor John McDonald
Councillor Marilyn Serjeantson
Councillor Pam Sheldon

Term of Office
December 1, 1982 to November 30, 1985

**CHAIRMAN**

**Peter Pomeroy**

**CITY OF BURLINGTON**

**Mayor Roly Bird**

Councillor Robert Forbes
Councillor James Grieve
Councillor Joan Little
Councillor Patrick McLaughlin
Councillor Walter Mulkewich
Councillor Barry Quinn
Councillor Joyce Savoline
Councillor Stephen Toth

**TOWN OF MILTON**

**Mayor Gordon Krantz**

Councillor Brad Clements
Councillor William Johnson

**TOWN OF OAKVILLE**

**Mayor B. Harry Barrett**

Councillor Peter Arch
Councillor Keith Bird
Councillor Jackie Cutmore
Councillor Carol Gooding
Councillor Ann Mulvale
Councillor Fred Oliver

**TOWN OF HALTON HILLS**

**Mayor Russell Miller**

Councillor Michael Armstrong
Councillor Jake Kuiken
Councillor John McDonald
Councillor Dave Whiting

# Halton's Administration

## ADMINISTRATION

**CHIEF ADMINISTRATIVE OFFICER**
D.Y. Perlin

**DIRECTOR OF FINANCE AND REGIONAL TREASURER**
J.L. Rinaldo

**REGIONAL SOLICITOR**
K. Anderson

**DIRECTOR OF PERSONNEL AND LABOUR RELATIONS**
D. Camm

## OPERATIONS

**DIRECTOR OF PUBLIC WORKS**
R.W.J. Moore

**DIRECTOR OF SOCIAL SERVICES**
D. Oakley

**DIRECTOR OF PLANNING AND DEVELOPMENT**
R. Mohammed

**MEDICAL OFFICER OF HEALTH**
Dr. G.L. Pollett

**DIRECTOR OF BUSINESS DEVELOPMENT**
B. Kearse

## BOARDS AND COMMISSIONS

**HALTON REGIONAL POLICE FORCE**
Police Chief
W.I.J. Harding

**CHILDREN'S AID SOCIETY**
Director
R. Coupland

**HALTON REGION CONSERVATION AUTHORITY**
General Manager
M. Stephen

# Halton's Fiscal Administration

## DEPARTMENT OF FINANCE

**DIRECTOR OF FINANCE AND REGIONAL TREASURER**
J.L. Rinaldo, C.M.A.

**MANAGER OF BUDGETS & FINANCE**
D. Birkett, M.A.

**MANAGER OF PURCHASING**
R. Higgins, PP., CPPO

**MANAGER OF ACCOUNTING AND SYSTEMS**
C. Mascarenhas, C.M.A.

**SUPERVISOR OF ACCOUNTING SERVICES**
C. Budd, C.M.A.

**RISK MANAGEMENT CO-ORDINATOR**
Z. Kovacs

**INTERNAL AUDITOR**
C. Weldon, C.A.

**EXTERNAL AUDITORS**
Clarkson Gordon
Chartered Accountants

**BANKER**
The Royal Bank of Canada

**FISCAL AGENTS**
Dominion Securities Pitfield Limited
Wood Gundy Inc.
Bell Gouinlock Limited

# Five Year Financial Statistics



(Dollars in Thousands)

| | 1985 | 1984 | 1983 | 1982 | 1981 |
|---|---|---|---|---|---|
| **Consolidated Financial Position** | | | | | |
| Current assets | $ 61,503 | $ 49,275 | $ 33,297 | $ 21,657 | $ 8,540 |
| Long-term assets | 62,134 | 65,339 | 67,063 | 67,404 | 73,317 |
| Total assets | $ 123,637 | $ 114,614 | $ 100,360 | $ 89,061 | $ 81,857 |
| Current liabilities | $ 14,008 | $ 10,850 | $ 10,184 | $ 9,358 | $ 9,458 |
| Long-term liabilities | 62,134 | 65,339 | 67,063 | 67,404 | 59,611 |
| Ratepayers' equity analyzed as follows: | | | | | |
| Net unexpended capital financing | 12,313 | 11,136 | 4,203 | (1,205) | 4,257 |
| Reserves | 14,661 | 12,895 | 9,669 | 8,880 | 4,530 |
| Reserve funds | 20,521 | 14,394 | 9,241 | 4,624 | 4,001 |
| | 47,495 | 38,425 | 23,113 | 12,299 | 12,788 |
| Total liabilities & ratepayers' equity | $ 123,637 | $ 114,614 | $ 100,360 | $ 89,061 | $ 81,857 |
| **Current Revenues by Source** | | | | | |
| Property taxes | $ 27,810 | $ 26,256 | $ 24,465 | $ 22,693 | $ 18,988 |
| Water billings | 13,465 | 11,677 | 10,190 | 7,906 | 6,587 |
| Sewer billings | 15,039 | 13,476 | 13,132 | 10,257 | 9,245 |
| Ontario grants | 24,219 | 22,343 | 22,244 | 20,316 | 17,913 |
| Other revenue | 11,450 | 9,788 | 7,863 | 8,613 | 7,299 |
| Deficit (at beginning of year) | — | — | — | — | (588) |
| | 91,983 | 83,540 | 77,894 | 69,785 | 59,444 |
| **Current Expenditures by Function** | | | | | |
| General government | 3,970 | 3,721 | 3,504 | 3,751 | 2,900 |
| Protection to persons & property | 20,422 | 18,971 | 18,042 | 17,873 | 15,260 |
| Transportation services | 2,590 | 2,754 | 2,796 | 4,303 | 3,382 |
| Environmental services | 30,763 | 26,794 | 25,663 | 23,979 | 20,766 |
| Health services | 4,399 | 4,074 | 4,156 | 3,841 | 3,284 |
| Social and family services | 15,959 | 14,182 | 13,770 | 12,346 | 10,386 |
| Recreation & cultural services | 489 | 400 | 416 | 334 | 275 |
| Planning and development | 1,287 | 1,251 | 1,277 | 1,104 | 851 |
| Net appropriations to own funds† | 7,322 | 6,774 | 5,344 | — | — |
| | 87,201 | 78,921 | 74,968 | 67,531 | 57,104 |
| Accumulated net revenue appropriated to reserves | $ 4,782 | $ 4,619 | $ 2,926 | $ 2,254 | $ 2,340 |
| **Capital Financing by Source** | | | | | |
| Contributions from own funds | $ 12,659 | $ 10,128 | $ 8,958 | $ 6,558 | $ 4,956 |
| Long-term liabilities | 3,795 | 4,000 | 4,560 | 12,330 | — |
| Ontario grants | 4,402 | 2,477 | 3,177 | 3,624 | 3,340 |
| Developer contributions | 751 | 3,324 | 1,377 | 2,461 | 6,465 |
| Other | 2,475 | 2,316 | 1,794 | 659 | 2,719 |
| | 24,082 | 22,245 | 19,866 | 25,632 | 17,480 |
| **Capital Expenditures by Function** | | | | | |
| General government | 99 | 81 | 96 | 119 | 156 |
| Protection to persons & property | 2,615 | 1,309 | 2,385 | 575 | 1,644 |
| Transportation services | 4,109 | 4,764 | 4,183 | 4,049 | 3,645 |
| Environmental services | 14,471 | 8,596 | 7,506 | 12,367 | 16,225 |
| Health services | 1,204 | 268 | 33 | 185 | 49 |
| Social and family services | 394 | 279 | 168 | 78 | 299 |
| Recreational, cultural and planning services | 13 | 15 | 87 | 15 | 20 |
| | $ 22,905 | $ 15,312 | $ 14,458 | $ 17,388 | $ 22,038 |

# Five Year Financial Statistics

*The Regional Municipality of Halton*

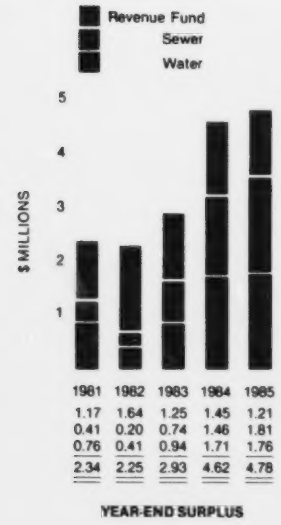
| | 1985 | 1984 | 1983 | 1982 | 1981 |
|---|---|---|---|---|---|
| **REVENUE SOURCES** | | (Dollars in Thousands) | | | |
| **Taxable Assessment** | | | | | |
| Residential & farm | $ 526,739 | $ 516,748 | $ 502,317 | $ 490,835 | $ 471,903 |
| Commercial & industrial | 225,978 | 219,066 | 219,206 | 216,693 | 202,063 |
| | $ 752,717 | $ 735,814 | $ 721,523 | $ 707,528 | $ 673,966 |
| Per capita | $ 2,846 | $ 2,819 | $ 2,801 | $ 2,784 | $ 2,662 |
| **Utility consumption** | | | | | |
| Sewer flows (000's $M^3$) | 34,520 | 33,391 | 33,801 | 29,859 | 30,952 |
| Water flows (000's $M^3$) | 39,217 | 36,811 | 36,189 | 32,757 | 33,269 |
| Landfill (billable tonnes) | 185,502 | 177,508 | 166,012 | 183,771 | 187,486 |
| Value of building permits (000's): | | | | | |
| Residential | $ 194,285 | $ 121,029 | $ 94,810 | $ 57,498 | $ 106,383 |
| Commercial & industrial | $ 72,124 | $ 53,126 | $ 26,333 | $ 23,917 | $ 63,420 |
| **DEBT** | | | | | |
| **Debt structure** | | | | | |
| Net long-term debt | | | | | |
| General | $ 8,040 | $ 8,547 | $ 7,978 | $ 7,789 | $ 8,385 |
| Utilities | 54,094 | 56,792 | 59,085 | 59,615 | 51,226 |
| | $ 62,134 | $ 65,339 | $ 67,063 | $ 67,404 | $ 59,611 |
| **Debt servicing** | | | | | |
| Charges for long-term debt †† | | | | | |
| General | $ 1,336 | $ 1,218 | $ 1,532 | $ 1,509 | $ 1,560 |
| Utilities | 12,157 | 11,068 | 10,946 | 8,468 | 7,252 |
| | $ 13,493 | $ 12,286 | $ 12,478 | $ 9,977 | $ 8,812 |
| **Debt Analysis** | | | | | |
| Net long-term debt per capita | $ 234.91 | $ 250.31 | $ 260.38 | $ 265.29 | $ 235.53 |
| Charges for long-term debt per capita | $ 51.01 | $ 47.07 | $ 48.45 | $ 39.27 | $ 34.83 |
| Reserves as a percentage of outstanding debt | 56.6% | 41.8% | 28.2% | 20.0% | 14.3% |
| Debt charges as a percentage of total revenue | 14.7% | 14.4% | 15.6% | 14.3% | 14.4% |
| **STATISTICAL** | | | | | |
| Area in hectares | 97,460 | 97,460 | 97,460 | 97,460 | 97,460 |
| Population | 264,498 | 261,027 | 257,556 | 254,085 | 253,096 |
| Households | 90,240 | 88,442 | 86,982 | 85,294 | 83,789 |
| Building permits issued: | | | | | |
| Residential | 2,510 | 2,409 | 2,135 | 1,154 | 2,708 |
| Commercial & industrial | 549 | 501 | 418 | 418 | 604 |
| Continuous full time employees: | | | | | |
| Police | 429 | 420 | 409 | 404 | 386 |
| Other | 788 | 766 | 761 | 732 | 707 |

† Appropriations to and from own funds for 1981 and 1982 are included in revenues and expenditures.

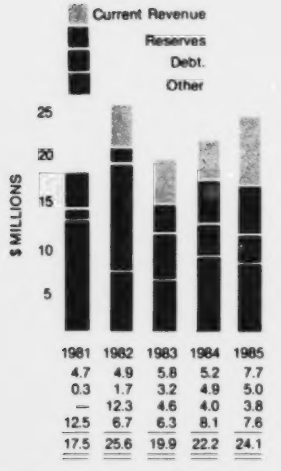
†† Starting in 1983, interest charges on debt were accounted for on the accrual method of accounting.

# 1985 Fiscal Performance

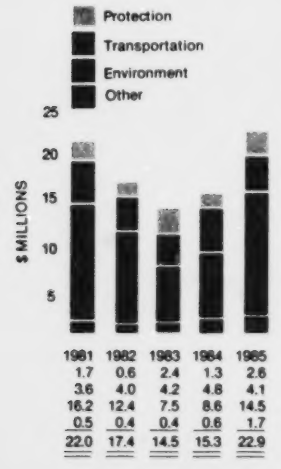





YEAR-END SURPLUS




CAPITAL FINANCING BY SOURCES




CAPITAL EXPENDITURE BY FUNCTION

J.L. Rinaldo C.M.A.
Director of Finance and
Regional Treasurer

## INTRODUCTION:

I am pleased to present the financial position of Halto for the year ended December 31, 1985. Once again, the results show Halton in a strong financial position that has resulted from continued economic growth and Council's commitment to sound fiscal policy.

### Consolidated Operations

The consolidated statement of operations reflect the total revenues and expenditures of the current operations, capital operations and reserve and reserve funds. The excess of revenues over expenditures for 1985 was $9.1 million. $1.2 million was attributable to the capital program and $7.9 million was the increase in reserves and reserve funds which includes the $4.8 million current operating surplus transferred to reserves. Expenditures for current operations were $79.9 million (1984 - $72.2 million) and for capital operations at $22.9 million (1984 - $15.3 million).

### Current Operations

The results of the 1985 day to day operations had a net surplus of $4.8 million (1984 - $4.6 million) of which $3.6 million (1984 - $3.2 million) was generated from our water and sewer operations which are totally financed from user rates. Increased revenues from short-term investments and supplementary taxes were the major contributing factors generating the surplus on tax supported programs. The utility surplus is attributable to increased water consumption. As in previous years the surplus was transferred to reserves to defray the costs of future capital expenditures. (A total of $4.1 million of this surplus has been earmarked to finance our 1986 capital program thus reducing our need for the issuance of new debt.)

The expenditures for current operations are analyzed as follows:

| | (000's) | | (000's) | |
|---|---|---|---|---|
| | 1985 | % of Total | 1984 | % of Total |
| Day to day operations | $ 66,386 | 76.1 | $ 59,861 | 75.8 |
| Debt charges | 13,493 | 15.5 | 12,286 | 15.6 |
| Contribution to capital program | 7,322 | 8.4 | 6,774 | 8.6 |
| | $ 87,201 | 100.0 | $ 78,921 | 100.0 |

While our current expenditures have increased by 10.7%, a strong growth in our water consumption of 6.5% combined with the growth in taxable assessment of 2.3%, reduced the impact on direct taxation and user rate requirements to 5.2%.

### Capital Operations

Halton has a significant investment in major facilities and equipment in order to meet environmental and service requirements of our citizens. These facilities include water treatment plants, water pollution control plants, sludge storage facility, solid waste disposal facilities, reservoirs, underground water and sewer services, administrative facilities, etc. While fixed assets are not reported in our financial statements, the replacement value of Halton's above ground assets are estimated at $145 million and the value of underground assets are estimated at $700 million.

In order to meet the needs of the existing and new residential and commercial sectors of our community, an on-going capital program has been developed taking into consideration our service needs, fiscal capacity, borrowing limitations, planned replacement of existing facilities and equipment, and the matching of facility costs with the benefits enjoyed by existing and future residents.

While expenditures for the capital expansion and improvements to our existing facilities increased to $22.9 million in 1985 (1984 - $15.3), the impact on the taxation requirements was minimized by maintaining an optimal balance in our sources of financing of these capital costs between current operations, 31.8%, reserve and reserve funds 20.7%, long-term debt 15.8% and grants and other sources 31.7%.

### Cash Management

Efficient management of cash resources provided interest income of $4.8 million during the year.

At Halton, a comprehensive cash management and investment policy was formally developed in 1985 and subsequently approved by Council. The policy prescribes a sound framework for diversification of the investment portfolio. The key elements of diversification, aimed at minimizing risk and increased liquidity, ensure that at least half of the portfolio is invested in high grade government securities — federal, provincial and municipal, and another 30% with the five major Canadian Chartered Banks. For the remaining 20% only short-term securities offered by other high quality financial institutions are eligible. In addition, limits have also been placed on maximum investments that can be made with a single institution to minimize exposure.

The extent and scope of the policy also incorporates guidelines for efficient management of short term investments including risk management and control features to protect and preserve the capital while ensuring continued liquidity of funds and a competitive return.

The following table is a comparison of Halton's investments at December 31, 1985 with the requirements under the policy and presents a measure of minimal risk and high liquidity of the portfolio of $48 million.

| Securities Offered or Guaranteed by | Policy Requirement % | Actual Dec. 31/85 % |
|---|---|---|
| Canada | 30% * | 32% |
| Provinces | | 24% |
| Municipalities | 20% | 9% |
| Major Banks | 30% | 28% |
| Other | 20% | 7% |
| | 100% | 100% |

* Policy requires minimum 30% in federal and provincial securities.

## Banking Relations

The Royal Bank of Canada was re-appointed Halton's bankers in 1983 for a five year term after they successfully bid for general banking services. The banking services are an integral part of our cash management program and treasury services have not increased in costs in recent years. As part of our policy to review all major services periodically, Halton will invite a proposal for banking services in 1988.

## Reserves & Reserve Funds

The net financial position of the Reserves and Reserve Funds improved by $7.9 million during the year. This increase is accounted for by contributions from developers of $5.5 million, investment income of $2.9 million and the transfer of accumulated net revenue of $4.8 million at year end. A total of $5 million was used during the year to finance capital operations and $.3 million for current operations.

The Reserves and Reserve Funds play a very useful role in developing fiscal policy and planning short term and long term programs. Responsible fiscal management through use of reserves enables us to reduce dependence on debt financing and to avoid erratic fluctuations in levels of taxation and user charges. For this reason, Halton embarked on developing its reserves for known or contingent obligations to meet future capital programs needs, and other contingencies.

Broadly speaking, our Reserves and Reserve Funds can be classified, based on end use as follows:

a) earmarked for general purposes such as working funds, contingencies and utility rate stabilization to overcome unavoidable or unforeseen revenue fluctuations; $9.6 million.

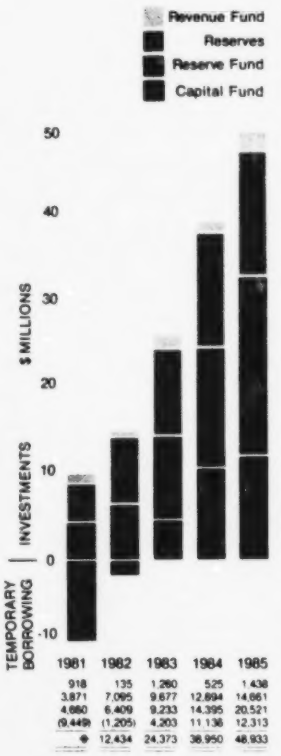
b) earmarked for specific tax supported programs such as planning and organizational studies and equipment replacement, obsolescence etc.; $1.7 million.

c) set aside to discharge known or contingent liabilities such as self-insurance, workers' compensation, accumulated sick leave or liabilities in foreign currencies; $3.8 million.

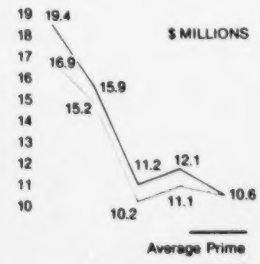
d) to support future capital programs by distributing monetary requirements over a longer span of time including sewer and water facilities, solid waste management and energy from waste and other tax supported programs; $5.0 million.

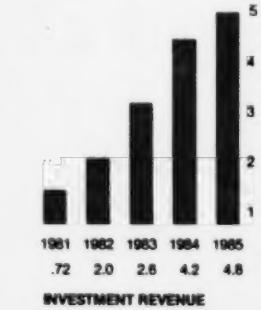
e) developer contributions collected and set aside to meet the capital requirements associated with servicing new development; $15.1 million.

The reserves can be described as the equity of Halton residents. The strong fiscal base developed over the past few years has contributed to the high credit rating of Triple 'A' accorded to Halton and its Area Municipalities in the money and capital markets. The AAA rating translates into easier access into the financial markets and greater acceptance of our debt instruments resulting in lower interest costs for long term development of municipal services such as expansion of sewer, water and waste disposal programs, or new or enlarged parks and recreational facilities.

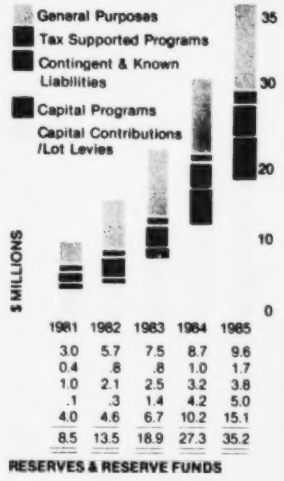



**CASH & SHORT TERM INVESTMENTS**



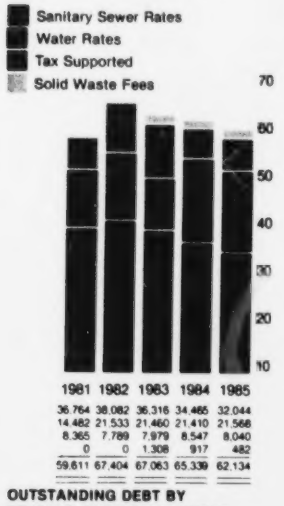




**INVESTMENT REVENUE**



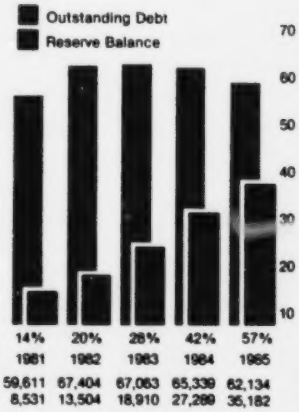

| | 1981 | 1982 | 1983 | 1984 | 1985 |
|---|---|---|---|---|---|
| | 3.0 | 5.7 | 7.5 | 8.7 | 9.6 |
| | 0.4 | .8 | .8 | 1.0 | 1.7 |
| | 1.0 | 2.1 | 2.5 | 3.2 | 3.8 |
| | .1 | .3 | 1.4 | 4.2 | 5.0 |
| | 4.0 | 4.6 | 6.7 | 10.2 | 15.1 |
| | 8.5 | 13.5 | 18.9 | 27.3 | 35.2 |

**RESERVES & RESERVE FUNDS**




| | 1981 | 1982 | 1983 | 1984 | 1985 |
|---|---|---|---|---|---|
| | 36.764 | 38.082 | 36.316 | 34.465 | 32.044 |
| | 14.482 | 21.533 | 21.460 | 21.410 | 21.568 |
| | 8.365 | 7.789 | 7.979 | 8.547 | 8.040 |
| | 0 | 0 | 1.308 | 917 | 482 |
| | 59.611 | 67.404 | 67.063 | 65.339 | 62.134 |

**OUTSTANDING DEBT BY REVENUE RECOVERY SOURCE**



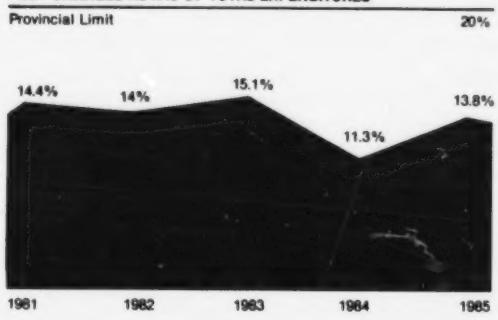

| | 1981 | 1982 | 1983 | 1984 | 1985 |
|---|---|---|---|---|---|
| | 14% | 20% | 28% | 42% | 57% |
| | 59,611 | 67,404 | 67,063 | 65,339 | 62,134 |
| | 8,531 | 13,504 | 18,910 | 27,289 | 35,182 |

**RESERVES AS A % OF OUTSTANDING DEBT**

## DEBT MANAGEMENT

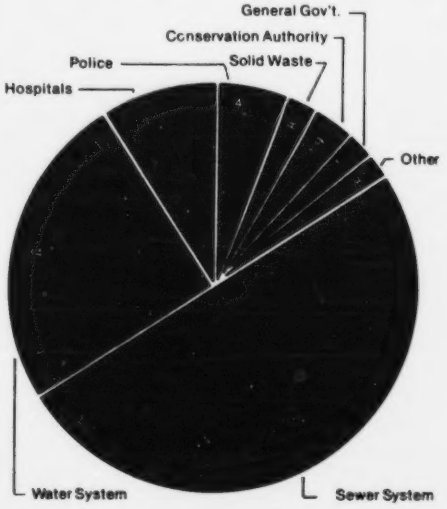
**Halton manages its debt levels through monitoring existing debt levels in relationship to future debt required to enhance the infrastructure and maintain existing services. As Halton may only issue debt for capital purposes, debt levels are reflective of the hard services required by our expanding economy.**

**DEBT CHARGES AS A% OF TOTAL EXPENDITURES**




**Management of debt is capped through Provincial (Ontario Municipal Board) monitoring. The Province's upper limit guideline restricts debt charges to not exceed 20% of total operating expenditures.**

**As at December 31, 1985, Halton's outstanding debt liability was at $62.1 million. The average remaining life on all outstanding debt is 3.9 years. The average interest paid on all outstanding debt was 9.4% (the average interest calculation includes interest free loans secured from the Province in the late 1970's).**




**$62 MILLION**
**1985 OUTSTANDING DEBT BY SERVICE**

**Over the past five years the level of reserves has increased significantly. Reserve levels in relationship to outstanding debt levels provides an indication of a municipality's ability to meet all of its outstanding long term obligations. Should a major shock to the economy occur, reserves could be employed to ensure that repayment of principal and interest to the bond holder will occur.**

Halton's total outstanding debt has remained relatively stable over the past 5 years. Viewing this debt level in relationship to Halton's expanding economy, Halton's debt position has in fact been declining significantly as exhibited by debt as a percentage of total revenues declining from 100.0% in 1981 to 67.5% in 1985.

### Performance Beyond Dollars

In 1985 there were areas where resources were directed at improved performance. Some of these are as follows:

- An environment services contract for the Halton Centennial Manor was awarded to ServiceMaster for a five-year term.
- The 911 emergency system was introduced in November.
- The Day Care Program was expanded with an additional 144 spaces.
- An office automation system, including word processing, electronic communication and several micro computers was introduced.
- There was an expansion of Halton Source Separation program providing an increase in recycled waste.
- Introduction of powdered activated carbon to the Oakville drinking water purification system for taste and odour control.

### Strategy for 1986

The continued growth of Halton's strong and diversified economy has placed Halton in an enviable position creating a very positive outlook for the future.

Our strategy is to carefully balance the requirements of municipal services for both the existing and new residential/commercial sectors of our community, with our fiscal capacity to ensure financial stability. The development of a sound system of budgeting and control, which assesses the financial impact of all alternatives, has ensured timely decision-making, responsive to the needs of the citizens of Halton.

This strategy requires sound and efficient local government which demonstrates to its citizens a high quality and a pro-active approach to the delivery of services and avoidance of undue tax burdens. To this end, careful planning and evaluation of expansion of services will be undertaken to ensure that the deployment of Halton's financial resources are allocated to programs which are directed at improving the quality of life as well as retaining our competitive position in the years ahead.

J.L. Rinaldo
Director of Finance and Regional Treasurer

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# Management Report



The management of The Regional Municipality of Halton is responsible for the integrity, objectivity and accuracy of the financial information presented in the accompanying consolidated financial statements. The consolidated financial statements have been prepared by management in accordance with accounting principles prescribed for Ontario municipalities. The statements of current operations, capital operations, and reserves and reserve funds have also been prepared in accordance with accounting policies prescribed for Ontario municipalities except that they reflect interfund appropriations. A summary of the significant accounting policies followed by Halton are described in Note 1 to the consolidated financial statements. These accounting principles have been applied on a basis consistent with that of the preceding year.

Since precise determination of many assets and liabilities depends on future events, the preparation of periodic financial statements necessarily involves the use of estimates and careful judgments with appropriate consideration to materiality.

To meet its responsibility, management maintains comprehensive financial and internal control systems designed to ensure the proper authorization of transactions, the safeguarding of assets and the integrity of the financial data. The controls include an organization structure providing effective segregation of responsibilities, delegation of authority and accountability, employment and training of qualified and professional staff and development of corporate policies and procedures which are updated regularly. They also include a sound system of budget control which reflects accountability within delineated areas of responsibilities, as well as a continuing program of internal audit.

The Administration and Finance Committee, consisting of nine members of Council, reviews and approves the financial statements before such statements are submitted to Council and published for the residents and ratepayers of Halton. As mandated by resolution of Council, the internal auditor has full and free access to the Administration and Finance Committee which reviews annually the internal audit plan and results of his work.

Clarkson Gordon have performed an independent examination of the financial statements and have expressed their opinion in the following Auditor's Report. They have access to, and regularly meet with, the Administration and Finance Committee to discuss their audit and the results of their examination.

J.L. Rinaldo, C.M.A.
Director of Finance
and Regional Treasurer

Oakville, Canada
March 4, 1986

# Consolidated Balance Sheet



as at December 31, 1985
(with comparative figures as at December 31, 1984)

| | (Dollars in Thousands) | |
|---|---|---|
| | 1985 | 1984 |
| **ASSETS** | | |
| Unrestricted | | |
| Cash and short-term investments | $ 28,412 | $ 24,556 |
| Accounts receivable | | |
| Grants | 5,464 | 2,866 |
| Utilities | 3,826 | 3,561 |
| Other | 2,143 | 3,000 |
| Other current assets | 1,137 | 898 |
| | 40,982 | 34,881 |
| Restricted | | |
| Cash and short-term investments | 20,521 | 14,394 |
| Capital outlay to be recovered in future years | 62,134 | 65,339 |
| | $ 123,637 | $ 114,614 |
| **LIABILITIES** | | |
| Accounts payable and accrued liabilities | $ 14,008 | $ 10,850 |
| Net long-term liabilities (Notes 2, 3 & 4) | 62,134 | 65,339 |
| | 76,142 | 76,189 |
| **RATEPAYERS' EQUITY** | | |
| Net unexpended capital financing (Note 10) | 12,313 | 11,136 |
| Reserves | 14,661 | 12,895 |
| Reserve funds | 20,521 | 14,394 |
| | 47,495 | 38,425 |
| | $ 123,637 | $ 114,614 |

See accompanying notes
to consolidated financial statements.

# Consolidated Statement of Operations



for the year ended December 31, 1985
(with comparative figures for 1984)

| | (Dollars in Thousands) | |
|---|---|---|
| | 1985 | 1984 |
| **FINANCING** | | |
| Taxation & user charges | | |
| Property taxes | $ 27,810 | $ 26,256 |
| Water | 13,465 | 11,677 |
| Sewer | 15,039 | 13,476 |
| Solid waste fees | 4,404 | 3,229 |
| Home for the ages resident fees | 2,507 | 2,219 |
| Other user charges | 5,043 | 4,584 |
| Grants | | |
| Ontario | 28,621 | 24,870 |
| Canada | 16 | 186 |
| Other | | |
| Contributions from developers | 6,309 | 8,083 |
| Investment income | 4,845 | 4,208 |
| Long-term debt issued | 3,795 | 4,000 |
| **TOTAL FINANCING** | 111,854 | 102,788 |
| **EXPENDITURE** | | |
| General government | 4,069 | 3,819 |
| Protection to persons and property | 23,037 | 20,280 |
| Transportation services | 6,699 | 7,518 |
| Environmental services | 45,234 | 35,390 |
| Health services | 5,603 | 4,342 |
| Social and family services | 16,353 | 14,461 |
| Recreation and cultural services | 502 | 415 |
| Planning and development | 1,287 | 1,251 |
| **TOTAL EXPENDITURE** | 102,784 | 87,476 |
| Net increase in ratepayers' equity | 9,070 | 15,312 |
| Ratepayers' equity at the beginning of year | 38,425 | 23,113 |
| Ratepayers' equity at the end of year | $ 47,495 | $ 38,425 |

See accompanying notes to
consolidated financial statements.

# Statement of Current Operations

*The Regional Municipality of Halton*

for the year ended December 31, 1985
(with comparative figures for 1984)

(Dollars in Thousands)

| | 1985 BUDGET | 1985 ACTUAL | 1984 ACTUAL |
|---|---|---|---|
| **REVENUE** | | | |
| Taxation & user charges | | | |
| Property taxes | $ 27,390 | $ 27,810 | $ 26,256 |
| Water | 11,617 | 13,465 | 11,677 |
| Sewer | 13,743 | 15,039 | 13,476 |
| Solid waste fees | 4,268 | 4,404 | 3,229 |
| Home for the aged resident fees | 2,456 | 2,507 | 2,219 |
| Other user charges | 3,305 | 3,602 | 3,336 |
| Grants | | | |
| Ontario | 24,840 | 24,219 | 22,343 |
| Canada | 29 | 16 | 97 |
| Other | | | |
| Investment income | 695 | 864 | 866 |
| Contributions from developers | 56 | 57 | 41 |
| **TOTAL REVENUE** | 88,309 | 91,983 | 83,540 |
| **EXPENDITURE** | | | |
| General government | 4,053 | 3,970 | 3,721 |
| Protection to persons and property | 20,677 | 20,422 | 18,971 |
| Transportation services | 2,633 | 2,590 | 2,754 |
| Environmental services | 30,766 | 30,763 | 26,794 |
| Health services | 4,732 | 4,399 | 4,074 |
| Social and family services | 16,369 | 15,959 | 14,182 |
| Recreation and cultural services | 446 | 489 | 400 |
| Planning and development | 1,311 | 1,287 | 1,251 |
| | 80,987 | 79,879 | 72,147 |
| Net appropriations to (from) | | | |
| Capital operations | 7,927 | 7,665 | 5,196 |
| Reserves and reserve funds | (605) | (343) | 1,578 |
| **TOTAL EXPENDITURES** | 88,309 | 87,201 | 78,921 |
| Accumulated net revenue at the end of the year | $ — | $ 4,782 | $ 4,619 |
| Analyzed as follows: | | | |
| Tax supported programs | $ — | $ 1,213 | $ 1,453 |
| Utilities — water | — | 1,762 | 1,709 |
| — sewer | — | 1,807 | 1,457 |
| Accumulated net revenue appropriated to reserves | $ — | $ 4,782 | $ 4,619 |

See accompanying notes to consolidated financial statements.

# Statement of Capital Operations



for the year ended December 31, 1985
(with comparative figures for 1984)

(Dollars in Thousands)

| | 1985 | 1984 |
|---|---|---|
| **FINANCING** | | |
| Net appropriations from | | |
| Current operations | $ 7,665 | $ 5,196 |
| Reserves and reserve funds | 4,994 | 4,932 |
| Grants | | |
| Ontario | 4,402 | 2,477 |
| Canada | — | 89 |
| Other | | |
| Contributions from developers | 751 | 3,324 |
| Investment income | 1,076 | 1,067 |
| Other | 1,399 | 1,160 |
| Long-term debt issued | 3,795 | 4,000 |
| **TOTAL FINANCING** | 24,082 | 22,245 |
| **EXPENDITURE** | | |
| General government | 99 | 81 |
| Protection to persons and property | 2,615 | 1,309 |
| Transportation services | 4,109 | 4,764 |
| Environmental services | 14,471 | 8,596 |
| Health services | 1,204 | 268 |
| Social and family services | 394 | 279 |
| Recreation, cultural and planning services | 13 | 15 |
| **TOTAL EXPENDITURE** | 22,905 | 15,312 |
| Net increase in unexpended capital financing | 1,177 | 6,933 |
| Net unexpended capital financing at the beginning of the year | 11,136 | 4,203 |
| Net unexpended capital financing at the end of the year | $ 12,313 | $ 11,136 |

See accompanying notes to consolidated financial statements.

# Statement of Reserves and Reserve Funds



for the year ended December 31, 1985
(with comparative figures for 1984)

(Dollars in Thousands)

| | 1985 | 1984 |
|---|---|---|
| **REVENUE** | | |
| Grants | | |
| Ontario | $ — | $ 50 |
| Other | | |
| Contributions from developers | 5,501 | 4,718 |
| Investment income | 2,905 | 2,275 |
| Other | 42 | 71 |
| **TOTAL REVENUE** | 8,448 | 7,114 |
| **EXPENDITURE** | | |
| Net appropriations to (from) | | |
| Capital operations | 4,994 | 4,932 |
| Current operations: | | |
| Accumulated net revenue at end of year | (4,782) | (4,619) |
| Other | 343 | (1,578) |
| **TOTAL EXPENDITURE** | 555 | (1,265) |
| Net increase in reserves & reserve funds | 7,893 | 8,379 |
| Balance at the beginning of the year | 27,289 | 18,910 |
| Balance at the end of the year | $ 35,182 | $ 27,289 |
| **ANALYZED AS FOLLOWS:** | | |
| **RESERVES** | | |
| Utility rate stabilization | $ 5,728 | $ 5,013 |
| Capital | 3,459 | 3,208 |
| Working funds | 2,766 | 2,766 |
| Replacement of equipment | 1,004 | 704 |
| Contingencies | 703 | 568 |
| Special assistance grant — utilities | 369 | 332 |
| Computer systems | 344 | 129 |
| Other | 288 | 175 |
| | 14,661 | 12,895 |
| **RESERVE FUNDS** | | |
| Lot levies and subdivider contributions | 15,133 | 10,193 |
| Workers' compensation | 1,588 | 1,397 |
| Energy from waste | 1,555 | 989 |
| Sick leave | 1,163 | 906 |
| Foreign exchange | 552 | 497 |
| Self-insurance | 501 | 399 |
| Ex-gratia disaster relief | 29 | 13 |
| | 20,521 | 14,394 |
| **TOTAL RESERVES & RESERVE FUNDS** | $ 35,182 | $ 27,289 |

See accompanying notes to consolidated financial statements.

# Notes to Consolidated Financial Statements



for the year ended December 31, 1985

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) FINANCIAL STATEMENTS

The consolidated balance sheet and the consolidated statement of operations for The Regional Municipality of Halton (Halton) have been prepared in accordance with accounting principles prescribed for Ontario municipalities.

The statements of current operations, capital operations, and reserves and reserve funds have been prepared in accordance with accounting principles prescribed for Ontario municipalities except that they reflect interfund appropriations.

In these financial statements, accounting principles have been applied on a basis consistent with that of the preceding year.

### (b) BASIS OF CONSOLIDATION

The financial statements reflect the assets and liabilities, revenue and expenditure of the current and capital operations, and reserves and reserve funds of Halton, its utilities, and the Halton Regional Police Force. Utilities consist of the water treatment and distribution system, the sanitary sewage collection and treatment system, and the solid waste disposal operation.

The financial activities of the local autonomous boards, including the Children's Aid Society and the Conservation Authorities, are not included in these financial statements except to the extent of the Halton's contributions to these boards.

In addition, Regionally administered programs (such as Home Care) which are fully funded by the Province of Ontario on the basis of a March 31 year end, are excluded from these statements.

Trust Funds of the Halton Centennial Manor which are administered by Halton have not been included in the financial statements, but are reported separately on the Trust Funds' Statement of Continuity and Balance Sheet.

All interfund assets and liabilities, and interfund appropriations have been eliminated in the consolidated statements.

# Notes to Consolidated Financial Statements



## (c) BASIS OF ACCOUNTING

### ACCRUAL ACCOUNTING

Halton follows the accrual method of accounting for revenue and expenditure except for expenditure for vested sick leave benefits (note 6) and foreign currency translation. Expenditures are recognized as they are incurred.

Revenues are normally recognized in the year in which they are earned. In the case of grants from other governments, this normally occurs when Halton has incurred the expenditure to which the grant entitlement is attached, or has otherwise met the necessary requirements upon which entitlement to the grant is based.

In certain cases, primarily funding for capital projects from other levels of government, advances may be made once approvals are given by those other governments and certain conditions met by Halton. To the extent that the related capital expenditure has not been incurred at the end of the year, any receipts in excess of the grant actually earned are included in net unexpended capital financing.

### FIXED ASSETS

Capital expenditures are financed from current operations, long-term liabilities, reserves and reserve funds, grants, contributions from developers and other sources. The historical cost of fixed assets is not reported on the consolidated balance sheet.

### CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS

Capital outlay to be recovered in future years is equal to the outstanding principal portion of unmatured long-term liabilities.

### NET LONG-TERM LIABILITIES

Principal payments are charged against current operations as they are paid. Interest is charged against operations as it is incurred.

In addition to the net long-term liabilities incurred directly, Halton has assumed the responsibility of the charges on liabilities originally issued by local municipalities in respect of functions which are a Regional responsibility.

# Notes to Consolidated Financial Statements



**Net Long-Term Liabilities Cont'd.**

As well as issuing long-term liabilities for Regional purposes, Halton also issues long-term liabilities on behalf of the Area Municipalities, the Hydro-Electric Commissions, and the School Boards. The responsibility for raising the amounts required to service these liabilities lies with the respective Area Municipalities, Hydro-Electric Commissions and School Boards.

As legislated by Section 99(2) of the Region of Halton Act and Section 124(12) of the Municipal Act, debentures issued by Halton are direct, joint and several obligations of the Regional Corporation, the Area Municipalities and the participating School Boards.

## FOREIGN CURRENCY TRANSLATION

Long-term liabilities include debentures issued in U.S. dollars, recorded at the exchange rates prevailing when the proceeds were converted into Canadian funds. Gains and losses on foreign currency transactions are charged to operations when they are realized.

## RESERVES & RESERVE FUNDS

Halton follows the practice of segregating certain funds for specific purposes in reserves and reserve funds. These are established by resolution, by-law or under legistlation, and amounts are only spent in accordance with the terms of those resolutions, by-laws or legislative provisions and are available for future purposes. Reserves and reserve funds, except for the lot levies and subdividers' contribution reserve fund, have been set aside for specific purpose by Council. The lot levies and subdividers' contributions reserve fund are contributions collected from new residential development which have been set aside for specific purposes as required by legislation and agreements.

## SHORT-TERM INVESTMENTS

Short-term investments are carried at cost plus accrued interest.

# Notes to Consolidated Financial Statements



## 2. NET LONG-TERM LIABILITIES

The balance of net long-term liabilities is made up of the following:

| | (Dollars in Thousands) | |
|---|---|---|
| | 1985 | 1984 |
| Long-term liabilities incurred by Halton | $ 89,129 | $ 79,862 |
| Long-term liabilities incurred by others for which Halton has assumed responsibility | 5,678 | 7,190 |
| | 94,807 | 87,052 |
| Long-term liabilities incurred by Halton and assumed by: | | |
| Area Municipalities | (26,391) | (18,798) |
| School Boards | (5,838) | (2,502) |
| Ministry of the Environment debt retirement fund accumulated to the end of the year to retire Halton's related long-term liabilities | (444) | (413) |
| Net long-term liabilities at the end of the year | $ 62,134 | $ 65,339 |
| Net long-term liabilities at the end of the year will be recovered from: | | |
| Property taxes | $ 8,040 | $ 8,547 |
| Water | 19,793 | 19,506 |
| Sewer | 28,102 | 29,902 |
| Solid waste fees | 482 | 917 |
| Reserve funds | 730 | 782 |
| Special charges on benefitting landowners | 4,987 | 5,685 |
| | $ 62,134 | $ 65,339 |

## 3. NET LONG-TERM LIABILITIES PAYABLE IN FOREIGN CURRENCY

| | (Dollars in Thousands) | |
|---|---|---|
| | 1985 | 1984 |
| Long-term liabilities incurred by Halton (U.S. $16,050,000 in 1985) | $ 17,883 | $ 19,652 |
| Long-term liabilities for which other governments have assumed responsibility (U.S. $5,573,000 in 1985) | (5,958) | (6,438) |
| Net long-term liabilities | $ 11,925 | $ 13,214 |

If the total long-term liabilities were expressed in Canadian dollars at the closing exchange rate of 1.41 on December 31, 1985, the liability would be increased by $4,789,000 of which $2,890,000 would be Halton's share. An amount of $552,000 has been provided for Halton's share of this liability and is reported as the foreign exchange reserve fund.

## 4. CHARGES FOR NET LONG-TERM LIABILITIES

The charges for the year for net long-term liabilities are:

| | (Dollars in Thousands) | |
|---|---|---|
| | 1985 | 1984 |
| Principal including contributions to the Ministry of the Environment debt retirement fund | $ 6,976 | $ 5,705 |
| Interest | 6,517 | 6,581 |
| | $ 13,493 | $ 12,286 |
| The charges shown above were recovered as follows: | | |
| Property taxes | | |
| General levy | $ 1,337 | $ 1,218 |
| Special levy — City of Burlington | 360 | 340 |
| Utility revenues and special charges on benefitting landowners | 11,653 | 10,587 |
| Reserve funds | 143 | 141 |
| | $ 13,493 | $ 12,286 |

# Notes to Consolidated Financial Statements



## 5. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

(a) Halton has outstanding contractual obligations of $6,235,000 for capital works and $3,637,000 for current operations. Regional Council has authorized the financing of these obligations.

(b) Halton has entered into operating leases for various office premises and equipment requiring the following payments over the next five years:

1986 — $490,000
1987 — $478,000
1988 — $192,000
1989 — $148,000
1990 — $110,000

(c) The amounts required for principal and interest for 1986 and future years are as follows:

(Dollars in Thousands)

| | Principal | Interest | Total |
|---|---|---|---|
| 1986 | $ 8,166 | $ 5,653 | $ 13,819 |
| 1987 | 8,402 | 4,831 | 13,233 |
| 1988 | 7,786 | 3,935 | 11,721 |
| 1989 | 7,481 | 3,108 | 10,589 |
| 1990 | 7,075 | 2,396 | 9,471 |
| 1991 - 1995 | 21,199 | 5,183 | 26,382 |
| 1996 onwards | 2,025 | 255 | 2,280 |
| | $ 62,134 | $ 25,361 | $ 87,495 |

(d) Halton is committed to finance future expenditures of $5,222,000 from the reserves and reserve funds.

## 6. LIABILITY FOR VESTED SICK LEAVE

Under a former sick leave benefit plan, some employees hired prior to January 1, 1974, are entitled to receive cash payments for unused sick leave upon termination of employment. The unrecorded liability for these accumulated days amounted to $2,003,000 at December 31, 1985 (1984 - $1,929,000). An amount of $1,163,000 (1984 - $906,000) has been provided for this liability and is reported as a reserve fund.

# Notes to Consolidated Financial Statements



## 7. PAST SERVICE PENSION COSTS

Under a existing agreement with the Ontario Municipal Employees' Retirement Board, Halton is obligated for the costs of providing supplementary benefits related to past service of certain employees of the Halton Regional Police Force for the amount of $977,000 at December 31, 1985 (1984 -$1,048,000). No provision has been made for this liability which will be funded by annual payments of $155,000 from general revenues derived from property taxation over the next 9 years.

## 8. CONTINGENT LIABILITIES

(a) Halton has assumed the liability for any costs awarded under the Workers' Compensation Act. An amount of $1,588,000 has been provided for this liability and is reported as a reserve fund. An actuarial evaluation undertaken in 1983 determined that the reserve fund was sufficient to meet the obligations for workers' compensation.

(b) Certain claims against Halton with regard to the Expropriation Act, and other matters, are currently outstanding. The outcome and potential liability of these claims are yet to be determined and therefore no provision has been made.

(c) Halton has entered into an agreement, which expires on March 31, 2000 with the Province of Ontario for the management of its forest areas. Under the agreement Halton is contingently liable to pay for the cost of managing these forests if the agreement is terminated. At the year-end the accumulated cost was $201,000.

## 9. DEVELOPMENT AGREEMENTS

Under the terms of certain servicing and financing agreements, a number of developers have provided capital financing for development-related works. Under these agreements, Halton has undertaken, whenever possible:

(a) to require subsequent developers who benefit from these development related works, to share in the financing, and

(b) to pay appropriate portions of future lot levies as collected to these developers.

The amount of such capital financing which may be recovered from subsequent developers and other sources at December 31, 1985 was $6,594,000.

# Notes to Consolidated Financial Statements



## 10. NET UNEXPENDED CAPITAL FINANCING

Net unexpended capital financing represents the net financial position of all capital projects as at December 31, and is analyzed as follows:

| | (Dollars in Thousands) | |
|---|---|---|
| | 1985 | 1984 |
| Unexpended capital financing | $ (16,191) | $ (12,987) |
| Capital expenditures which will be financed as follows: | | |
| Long-term liabilities | 3,097 | 1,273 |
| Developer contributions | 305 | 207 |
| Other | 476 | 371 |
| Net unexpended capital financing | $ (12,313) | $ (11,136) |

Approval of the Ontario Municipal Board has been received for future issuance of the long-term liabilities.

## 11. SUBSEQUENT EVENT

On January 22, 1986, Council authorized the Regional Treasurer to negotiate the terms of and place a debenture issue in an amount not to exceed $10,500,000. Of the $10,500,000, $5,900,000 will be on behalf of the Halton Board of Education, $2,000,000 will be on behalf of the City Burlington, and $2,600,000 for Halton.

## 12. COMPARATIVE FIGURES

Prior year figures have been reclassified to conform with the current year's presentation.

# Auditors' Report



To the Members of Council, Inhabitants
and Ratepayers of the Corporation
of The Regional Municipality of Halton:

We have examined the consolidated balance sheet of the Corporation of The Regional Municipality of Halton as at December 31, 1985 and the consolidated statement of operations for the year then ended. In addition, we have examined the statements of current operations, capital operations and reserves and reserve funds for the year ended December 31, 1985. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation of The Regional Municipality of Halton as at December 31, 1985 and the results of its operations for the year then ended in accordance with the accounting principles described in Note 1 to the consolidated financial statements applied on a basis consistent with that of the preceding year.

CLARKSON GORDON

Hamilton, Canada
March 4, 1986
License No. 1217

Chartered Accountants

# Centennial Manor Trust Fund

*The Regional Municipality of Halton*

## BALANCE SHEET
## AS AT DECEMBER 31, 1985
(with comparative figures for 1984)

| | 1985 | 1984 |
|---|---|---|
| **ASSETS** | | |
| Cash | [illegible] | $ 909,955 |
| Term deposits | [illegible] | 82,980 |
| Investment certificates | [illegible] | 2,458,031 |
| Stocks and bonds | [illegible] | 188,007 |
| Mortgages | [illegible] | 34,378 |
| | [illegible] | $ 3,673,351 |
| **LIABILITIES** | | |
| Due to residents | [illegible] | $ 3,673,351 |

See accompanying note to financial statements.

# Centennial Manor Trust Fund

*The Regional Municipality of Halton*

## STATEMENT OF CONTINUITY
## FOR THE YEAR ENDED DECEMBER 31, 1985
(with comparative figures for 1984)

| | 1985 | 1984 |
|---|---|---|
| Due to residents, beginning of year | $ 3,673,351 | $ 4,042,132 |
| Receipts: | | |
| Residents' deposits | 3,496,458 | 3,130,742 |
| Interest | 83,558 | 89,178 |
| | 3,580,016 | 3,219,920 |
| Disbursements: | | |
| Maintenance payments | 2,496,506 | 2,179,923 |
| Payments to estates | 660,328 | 1,049,399 |
| Residents' charges | 208,169 | 262,443 |
| Pocket allowance | 114,888 | 98,819 |
| | 3,479,891 | 3,590,584 |
| Increase in market value of stocks | 5,838 | 1,883 |
| Due to residents, end of year | $ 3,779,314 | $ 3,673,351 |

See accompanying note to financial statements.

## NOTE TO FINANCIAL STATEMENTS
## DECEMBER 31, 1985

Accounting policies —

Halton Centennial Manor holds, in trust, residents' deposits in the form of cash and investments. Following is a summary of significant accounting policies of the Halton Centennial Manor Trust Fund:

(a) Receipts and disbursements are recorded on a cash basis.

(b) Term deposits, investments certificates and bonds are carried at cost.

(c) Stocks are carried at year-end market value and the change in market value from the previous year-end is recorded as an adjustment in the amount due to residents.

(d) Mortgages are carried at their outstanding principal balance.

# Auditors' Report



To the Members of Council, Inhabitants
and Ratepayers of the Corporation
of The Regional Municipality of Halton:

We have examined the balance sheet of the trust fund of the Halton Centennial Manor as at December 31, 1985 and the statement of continuity of the trust fund for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the trust fund of the Halton Centennial Manor as at December 31, 1985 and the continuity of the trust fund for the year then ended in accordance with accounting principles described in the note to the financial statements applied on a basis consistent with that of the preceding year.

Hamilton, Canada,
April 25, 1986

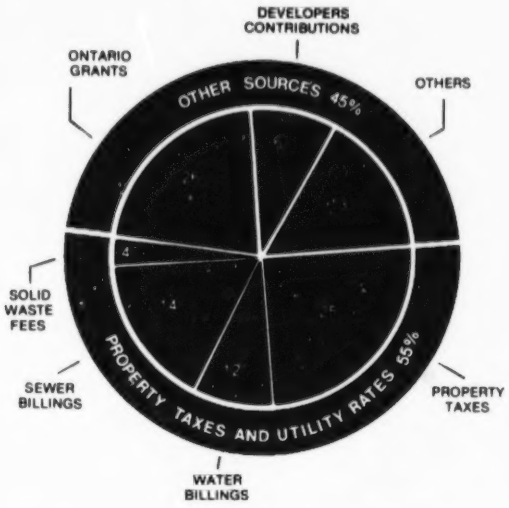
CLARKSON GORDON

Chartered Accountants

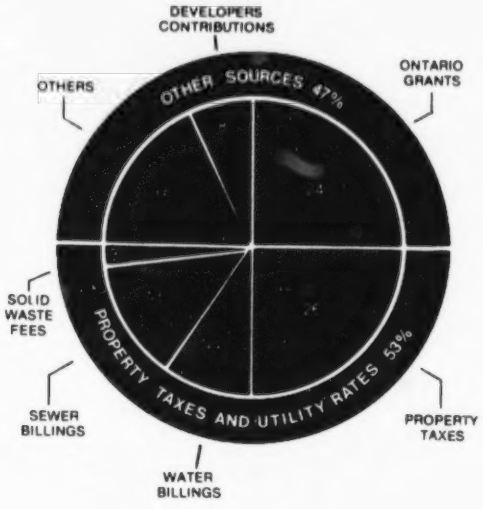
# Where does the money come from?



The charts illustrate the sources of Halton's consolidated revenues in 1985 and 1984.




1985 REVENUE SOURCES
$112 MILLION




1984 REVENUE SOURCES
$103 MILLION

## Property Taxes

Based on an average household assessment of $6,500, the average Regional property tax in 1985 was $189, an increase of $7 or 3.9% from 1984 levels. Property taxes are used to support the net cost of most Regional programs and services, with the exception of the water, sewer and solid waste programs, which are supported by user fees.

## Ontario Grants

Provincial grants continue to represent a significant portion (26%) of Halton's total revenue. Unconditional grants (non-program related) represent 10% of total amount and may be used to offset general expenditures. Conditional grants represent the remaining 16% and are earmarked for specific expenditures.

## Developers' Contributions

Halton has a policy that provides for the collection of capital contributions from new residential development to provide for the costs of services of new residential growth-related projects. By this policy, new residential development pays its own way, and the cost of new development does not impact on existing ratepayers. The 2% reduction in 1985 was attributable to a lower number of new development projects as compared to 1984.

## Utility Billings

This section includes revenue from water and sewer rates, as well as waste disposal tipping fees. The increase revenues was attributable to consumption flows greater than anticipated (a reflection of tremendous growth in Halton), and increased rates of 6.3% for 1985. The average annual residential water and sewer bill for 1985 was $237 based on an average water consumption of 250 cubic metres.

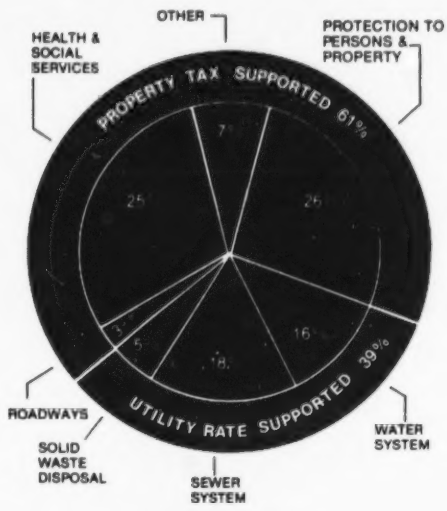
## Other

Other revenue includes Halton Centennial Manor resident fees of $2.5 million ($2.2 million in 1984); investment income of $4.8 million ($4.2 million in 1984); $3.8 million in long-term debt issued ($4.0 million in 1984); and another $5.1 million in other fees and service charges ($4.8 million in 1984).

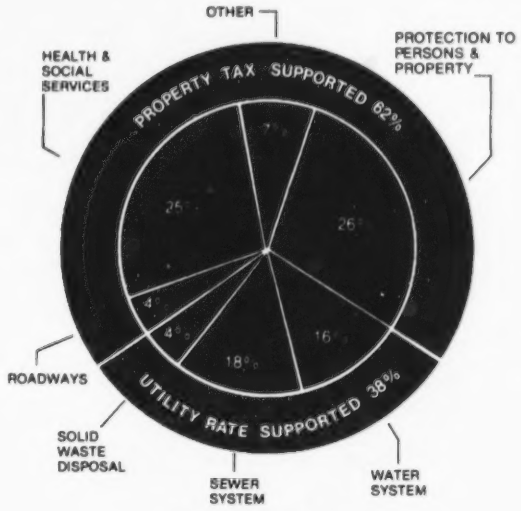
# How The Money Was Spent? Current Operations



The charts illustrate the major types of expenditures for current operations in 1985 and 1984. Operating expenditures include the cost of providing ongoing regional services. It does not include capital projects or trust fund expenditures (these are highlighted separately), or transfers to the Reserve or Capital Funds. Tax supported services represent 61% of total expenditures, and rate supported services (utilities) account for the remaining 39%.




1985 EXPENDITURES
$80 MILLION




1984 EXPENDITURES
$72 MILLION

## TAX SUPPORTED

### Protection to Persons and Property

Over 90% of these expenditures relate to the operation of the Halton Regional Police Force for the prevention and detection of crime in Halton. New initiatives introduced by the Police in 1985 included the upgrade of the telephone system to the SL-1 system, the introduction of the 911 system, and the computerization of the Records Management System. The Records System provided the on-line input and access to all accident records and criminal activities that were previously kept on a manual card system. Staffing was increased in the computer operations, 911 emergency system, and additional policing for the Town of Oakville to accommodate growth.

Also included in this category is the Region's share of the Halton Credit Valley and the Grand River Conservation Authorities.

### Health & Social Services

Most Health and Social Service programs are mandated by the Province of Ontario and, as such, receive significant provincial subsidies which average at approximately 70% of total expenditures.

Social Service such as Social Assistance, Day Care Assistance, and operating the Halton Centennial Manor (Home for the Aged) make up more than three-quarters of expenditures in this category. Expansion of service in 1985, included the addition of 144 Day Care spaces, the Employment Support Initiatives Program, and the Youth Employment Preparations Program.

Health Services include Community Health, Dentistry, and Environmental Health Programs (Public Health Inspections). 1985 saw the continuation of Geriatric Services to meet the increasing geriatric population. Drinking and recreational water quality was also an issue in 1985, with the Health staff preparing a major report on the quality of water in Lake Ontario.

Finally, Halton provides, on a cost-sharing basis with the Province, funding to The Children's Aid Society, and funding for capital expansion to the four area hospitals.

### Roadways

Expenditures in this category account for 3% of total expenditures, and include the cost of repairs and maintenance of approximately 250 kms of roads and 22 traffic signals.

### Other

Other expenditures include the cost of General Administration, Grants to Social, Cultural, Tourism and Agricultural Organizations, Regional Planning and Development, Business Development, and the Halton Museum. New initiatives in 1985 included the hiring of an Emergency Planning Co-ordinator and the introduction of two new education programs at the Museum.

## RATE SUPPORTED SERVICES

### Water and Sewer Systems

The water system provides for the supply, treatment and distribution of water including the operation and maintenance of the Regional water purification plants, water booster stations, wells, reservoirs, and coin meter stations.

The sewer system provides for sewage collection and treatment including the operation and maintenance of water pollution control plants, sewage pumping stations, and leachate pumping stations.

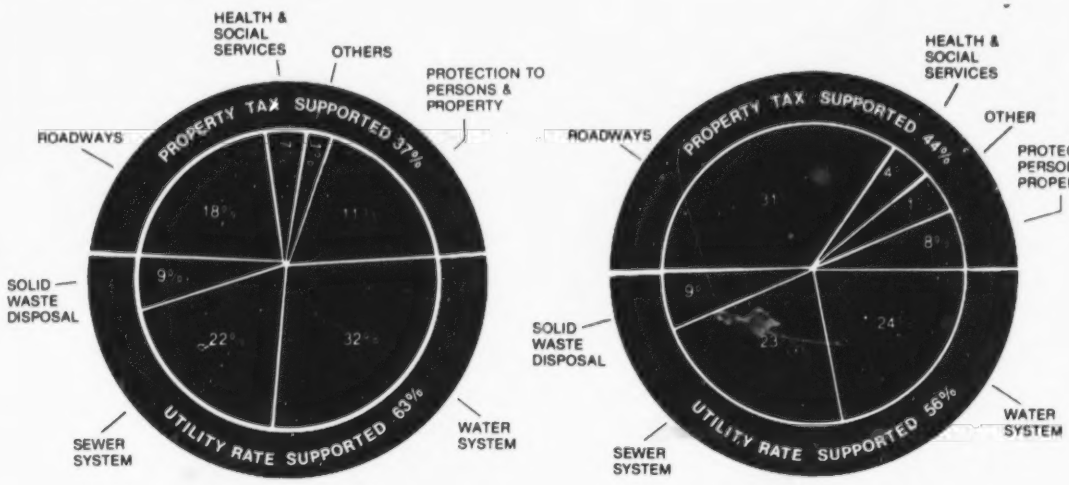
Further explanation of the water and sewer systems can be found on Page 38 through 41.

### Solid Waste Disposal

Expenditures in this category provide environmentally sound, efficient and economic facilities for handling, processing and disposal of all non-hazardous waste within Halton, including a monitoring program. This includes the operation of the Burlington landfill Site and the container transfer facilities in all four area municipalities. The expenditures are financed from the Solid Waste Disposal fee. In an effort to reduce waste disposal at the landfill site, the Region, together with the Halton Recycling Resources have introduced a Source Separation Program which reclaimed 8,632 metric tonnes of solid waste in 1985.

# How was the money spent? Capital Program






1985 EXPENDITURES
$23 MILLION

1984 EXPENDITURES
$15 MILLION

The charts illustrate the major types of expenditures for capital operations in 1985 and 1984.

Capital acquisitions or improvements undertaken by Halton, are significant expenditures for the acquisition of land, buildings, structures and equipment. For an expenditure to be classified as capital, the benefits that accrue usually last beyond one year. The various types of capital expenditures include monies spent on major feasibility studies, preliminary design, engineering, acquisition of land, machinery, equipment and labour.

The construction of roads, watermains, sanitary sewermains, water purification and water pollution control plants are all examples of capital acquisitions or improvements. They provide a long term benefit to both the residential and commercial/industrial sectors of Halton.

The capital program is financed from several sources including property taxes, developers' contributions, contributions from reserves, issuance of new debt, and federal and provincial subsidy.

The above charts show how the money was spent on capital projects in 1985 and 1984. The total expenditure increased by $8 million with the greatest increase in the water program.

### Water System

In 1985, major expenditures were on the construction and replacement of watermains in the Oakville Clearview Community, and a major expansion and upgrading of the Oakville Filtration Plant.

### Sewer System

Major capital expenditures were for new construction and replacement of sanitary sewers and the construction of a centralized sludge storage facility in Oakville.

### Solid Waste

The 1985 Solid Waste Program included the Landfill Environmental Assessment and Protection Act Studies, and Energy from Waste Preliminary Feasibility Study and extension of the Burlington landfill site.

### Roadways

Major road reconstruction in 1985 included the Guelph Line in Burlington, Steeles Avenue in Milton, and Maple Avenue in Halton Hills and Trafalgar Road.

### Protection to Persons and Property

This category includes capital expenditures for the Halton Police Force and Conservation Authority. 1985 expenditures were for the continuation of the computerization of the police force, the purchase of police vehicles, and land acquisition for the Halton Waterfront Plan.

### Health and Social Services

Expenditures include capital improvement to the Halton Centennial Manor and contributions to the Milton District Hospital expansion and the C.A.T. Scanner at the Oakville-Trafalgar Memorial Hospital.

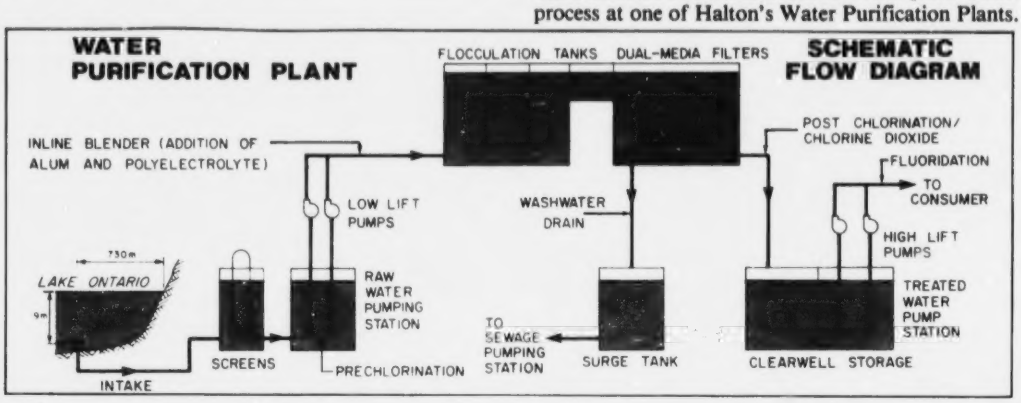
# Waterworks System
# Major Services



The major objective of the Waterworks System is to provide an uninterrupted supply of potable water to Halton's almost 62,000 water customers, meeting all quality and quantity standards and environmental standards put forth by Regional Council and all provincial and federal agencies.

This is accomplished through the operation and maintenance of three water purification plants, (Oakville, Burlington and Georgetown), 52 water booster stations, wells and reservoirs, and 1132 kilometres of watermains throughout Halton.

The schematic below illustrates the water purification process at one of Halton's Water Purification Plants.




The heart of the treatment plant and distribution system operations is the central control room. The most technically advanced system in Ontario controls and supervises all aspects of the treatment plant and remote pumping stations, using a fully distributed intelligence system of computer-based terminal units to provide high levels of security and independence of operations.

Right:
Control Room
Water Plant

In the central control room two NOVA 4X mini-computers monitor the status of the entire treatment plant and nine remote pumping stations. Information is provided to the operators in multi-coloured graphic displays at the main console, and to water operations management staff via telephone links to regional offices.

The principal unit processes of the plant consist of raw water screening and pumping; taste and odour; disinfection; distribution pumping; and wastewater disposal.

For example, the raw water pumping station in Burlington with a capacity of 270,000 cubic metres per day (60 MGD) draws water from Lake Ontario, at a point 730 metres (2,400 feet) offshore. After screening to remove large debris, chlorine is added to the water for primary disinfection. Aluminum sulphate and a cationic polyelectrolyte are added in a rapid mix stage to coagulate material to the required size for optimum filtration through high-rate dual media filters with a capacity of 164,000 cubic metres per day (36 MGD).

After filtration, chlorine is added to provide taste and odour control and a safe and long-lasting disinfectant residual. The water is then fluoridated and pumped to the distribution system.

Far right:
Regional Laboratory
Water Plant

The Regional laboratory was considerably improved and expanded in 1985. Located in the Oakville Water Treatment Plant, the laboratory is staffed with a supervisor and one technician. A microbiology and chemical lab for water analysis was also introduced. In 1985, there were approximately 3800 samples taken and analyzed. These samples were of water, wastewater, leachate and industrial waste.

# Water Works System
# Schedule of Operations

*The Regional Municipality of Halton*

| | 1985 BUDGET | 1985 ACTUAL | 1984 ACTUAL |
|---|---|---|---|
| **REVENUE** | | | |
| **Taxation & user charges** | | | |
| Residential water billings | $ 7,657,800 | $ 8,830,251 | $ 7,614,277 |
| Non-Residential water billings | 3,902,900 | 4,634,886 | 4,062,743 |
| Local improvement frontage charges | 150,000 | 210,165 | 163,552 |
| Fire protection levy | 875,500 | 875,500 | 689,800 |
| Other fees and service charges | 432,400 | 576,246 | 449,080 |
| **Grants** | | | |
| Ontario | 490,000 | 501,122 | 877,992 |
| **TOTAL REVENUE** | 13,508,600 | 15,628,170 | 13,857,444 |
| **EXPENDITURE** | | | |
| **Operations** | | | |
| Wages and benefits | 1,917,450 | 1,960,013 | 1,831,785 |
| Materials and supplies | 939,260 | 978,036 | 827,080 |
| Utilities and other charges | 2,105,190 | 2,355,756 | 1,897,136 |
| Administration | 2,844,800 | 2,617,621 | 2,426,819 |
| **Long-term debt charges** | | | |
| Principal | 2,245,029 | 2,245,029 | 1,681,121 |
| Interest | 2,608,971 | 2,763,705 | 2,458,868 |
| **Net appropriations to (from)** | | | |
| Capital operations | 1,066,400 | 1,284,943 | 1,290,600 |
| Reserves and reserve funds | (218,500) | (338,762) | (265,500) |
| **TOTAL EXPENDITURE** | 13,508,600 | 13,866,341 | 12,147,909 |
| **Accumulated net revenue appropriated to reserves** | $ — | $ 1,761,829 | $ 1,709,535 |

# Sanitary Sewer System Major Services



Aeration Tanks — Sewer Plant

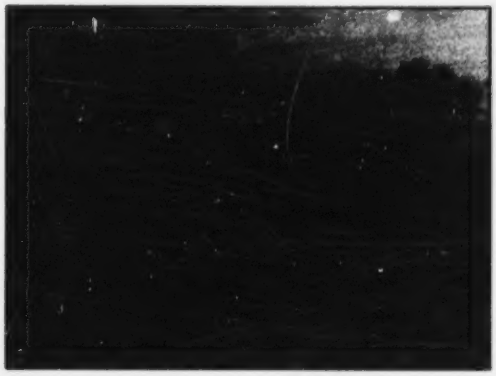
The objective of the sanitary sewer system is to collect and provide treatment and pumping station facilities to ensure all sanitary sewage in Halton is appropriately treated. All the water pollution control plants must produce an effluent satisfactory to meet all guidelines of the Ministry of the Environment and be of sufficient size to accommodate the needs of the residents of Halton at all times.

Halton operates and maintains six water pollution control plants, sixty-five sewage pumping stations, and 1,049 kilometers of sewermains. During 1985, 49,822,000 cubic meters (44,941,000 cubic meters in 1984) of sewage was treated or purified for Halton.

The process consists primarily of sewage screening, pumping and degritting, settling, aeration tanks and final sedimentation tanks. The clarified effluent passes through a chlorine contact chamber for disinfection prior to return to the lake or receiving streams flowing into the lake. The residue sludge undergoes further processes to reduce volume and stabilize it prior to its final disposal. The volume reduction takes place in digester tanks and results in a 35% reduction in solids while producing sludge gas which is a useful source of energy. The sludge gas, primarily methane, produced in the digester, is collected and used in the Plant's hot water system to heat all plant buildings, as well as for use in the sludge heat exchanges to heat the digester contents.

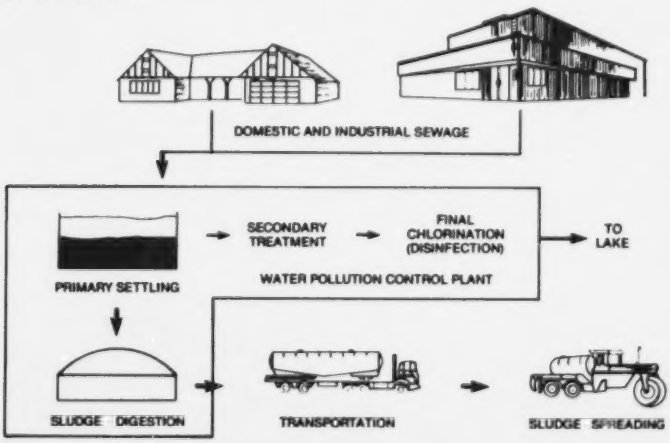
There is approximately 192,000 $m^3$ of sludge produced at Halton's six Water Pollution Control Plants. This sludge is a valuable source of phosphorous and nitrogen, and is applied to farmers' fields at no cost to the farming community. The sludge contains organic matter which improves the soil structure, and field samples have similar or slightly higher crop yields from fields utilizing sludge as opposed to equivalent amounts of nutrients from commercial fertilizers.

The sludge is applied to the fields using a vehicle called a "terragator". This vehicle is equipped with injectors for direct incorporation of the sludge into the ground, or it can be pressure spread on the ground surface.



The proper use of sewage sludge has proven to be safe. Halton abides by the Province of Ontario guidelines for sludge utilization on agricultural land. These guidelines are provided by the Ministries of Environment, Agriculture and Food, and Health, and take into consideration the potential impact on sludge spreading practices on public health, food production, land productivity, and the quality of the environment.

The sludge is routinely analyzed by the Ministry of the Environment and Halton's Laboratory, and strict control is maintained over the amount of sludge applied to any particular site.



# Sanitary Sewer System
# Schedule of Operations



for the year ended December 31, 1985
(with comparative figures for 1984)

| | 1985 BUDGET | 1985 ACTUAL | 1984 ACTUAL |
|---|---|---|---|
| **REVENUE** | | | |
| **Taxation & user charges** | | | |
| Residential sewer billings | $ 9,140,750 | $ 10,025,866 | $ 9,072,476 |
| Non-residential sewer billings | 4,467,600 | 5,013,313 | 4,403,686 |
| Local improvement frontage charges | 516,000 | 541,263 | 632,984 |
| Other fees and service charges | 294,800 | 297,298 | 382,759 |
| **Grants** | | | |
| Ontario | 721,000 | 737,682 | 702,008 |
| **TOTAL REVENUE** | 15,140,150 | 16,615,422 | 15,193,913 |
| **EXPENDITURE** | | | |
| **Operations** | | | |
| Wages and benefits | 2,235,790 | 2,128,363 | 1,963,347 |
| Materials and supplies | 777,100 | 911,742 | 807,969 |
| Utilities and other charges | 3,424,860 | 3,295,295 | 2,837,324 |
| Administration | 1,340,400 | 1,268,560 | 1,238,534 |
| **Long-term debt charges** | | | |
| Principal | 3,427,307 | 3,427,307 | 3,153,103 |
| Interest | 2,998,693 | 2,844,147 | 2,828,043 |
| **Net appropriations to (from)** | | | |
| Capital operations | 836,000 | 836,000 | 957,700 |
| Reserves and reserve funds | 100,000 | 96,499 | (50,000) |
| **TOTAL EXPENDITURE** | 15,140,150 | 14,807,913 | 13,736,020 |
| **Accumulated net revenue appropriated to reserves** | $ — | $ 1,807,509 | $ 1,457,893 |

# Halton Centennial Manor
# Major Services



Halton Centennial Manor is a 370-bed Home for the Aged owned and operated by The Regional Municipality of Halton. The Home is situated on 20 acres and is located in Milton in close proximity to the downtown and shopping areas.

The Manor complex is composed of two buildings. The Pettit House, named in honour of the late Mary Pettit, is the original building and was opened in 1952. The newer building, named the Martin House in honour of Milton's founding family, was opened in 1967.

The Home offers two types of nursing care — residential (minimum nursing care required), and extended care (a greater amount of nursing care required). Residents share all the benefits of medical attention, nursing care and a creative social and recreational atmosphere.

The Family Place Day Care operates a children's day care facility at the Manor. Many inter-generational programs are held with the children and the residents. There is also a greenhouse and a craft adjuvant room where residents may pursue different interests.

Right:
Martin House

Far right:
Craft Room — Inter-Generational Program.

The Home is staffed with over 200 employees who are complemented with a large volunteer program provided by the community. These volunteers, both young and old, contribute greatly to improving the quality of life for the residents, as well, in most cases, giving themselves personal satisfaction. These volunteers do not take the place of the paid staff, but rather enrich and give new vitality to the program which is carried on by the staff.

Commencing in 1985, ServiceMaster Canada was awarded the contract for environmental services at the Manor. The contract is for a five-year term and covers the maintenance, housekeeping and laundry departments of the Home.

# Halton Centennial Manor
## Statement of Revenue & Expenditure

*The Regional Municipality of Halton*

| for the year ended December 31, 1985 (with comparative figures for 1984) | 1985 BUDGET | 1985 ACTUAL | 1984 ACTUAL |
|---|---|---|---|
| **REVENUE** | | | |
| Regional Municipality of Halton | $ 1,003,700 | $ 1,104,829 | $ 983,058 |
| Province of Ontario | | | |
| Ministry of Community and Social Services | 4,138,350 | 3,833,088 | 3,625,885 |
| Residents' maintenance payments | 2,456,000 | 2,507,415 | 2,218,698 |
| Residents' activity payments | 102,300 | 103,459 | 95,602 |
| Federal / Provincial co-ed program | — | — | 12,746 |
| Laundry & housekeeping services | 196,800 | 146,047 | 13,911 |
| **TOTAL REVENUE** | $ 7,897,150 | $ 7,694,838 | $ 6,949,900 |
| **EXPENDITURE** | | | |
| Subsidizable | | | |
| Salaries, wages and benefits | $ 6,216,700 | $ 5,898,164 | $ 5,392,334 |
| Food and provisions | 434,100 | 429,756 | 420,645 |
| Repairs and maintenance | 141,900 | 142,762 | 118,709 |
| Light, heat and water | 287,100 | 420,590 | 265,910 |
| Medical and dental services | 52,600 | 49,560 | 50,332 |
| Household supplies | 26,000 | 16,580 | 23,987 |
| Laundry and linen | 55,500 | 46,320 | 30,819 |
| Administration expenses | 82,250 | 87,010 | 76,431 |
| Welfare of residents | 31,200 | 29,627 | 22,804 |
| Insurance | 12,150 | 12,150 | 11,500 |
| Funeral and burial | 2,000 | 3,667 | 1,200 |
| Equipment purchases | 94,300 | 84,378 | 79,240 |
| Administration and service bureau charges | 254,950 | 240,674 | 216,934 |
| Non-subsidizable | | | |
| Debt charges | 103,600 | 107,742 | 105,732 |
| Miscellaneous | 4,600 | 4,480 | 4,723 |
| | 7,798,950 | 7,573,460 | 6,821,300 |
| Net appropriations to (from) | | | |
| Capital operations | 86,500 | 93,800 | 179,582 |
| Reserves and reserve funds | 11,700 | 27,578 | (50,982) |
| **TOTAL EXPENDITURE** | $ 7,897,150 | $ 7,694,838 | $ 6,949,900 |

## Statement of Capital Operations

| for the year ended December 31, 1985 (with comparative figures for 1984) | 1985 ACTUAL | 1984 ACTUAL |
|---|---|---|
| **FINANCING** | | |
| Net appropriations from | | |
| Current operations | $ 93,800 | $ 179,582 |
| Grants | | |
| Ontario | 90,595 | 53,895 |
| | — | — |
| Other | | |
| Short-term interest earned | 13,013 | 10,388 |
| Halton Manor bequest | — | 73,735 |
| **TOTAL FINANCING** | 197,408 | 317,600 |
| **EXPENDITURE** | | |
| Paving | 30,268 | — |
| Facility assessment | 2,392 | — |
| Air to air exchange | 62,861 | 5,291 |
| Kitchen renovations | — | 571 |
| Smoke detectors | 117,896 | 7,552 |
| Craft adjuvant room | 594 | 166,724 |
| Humidifier system | 1,500 | 8,285 |
| New roof — Martin house | 100,688 | 109 |
| **TOTAL EXPENDITURE** | 316,199 | 188,532 |
| Net (decrease) increase in unexpended capital financing | (118,791) | 129,068 |
| Net unexpended capital financing at the beginning of the year | 234,741 | 105,673 |
| Net unexpended capital financing at the end of the year | $ 115,950 | $ 234,741 |

# Health Department Major Services

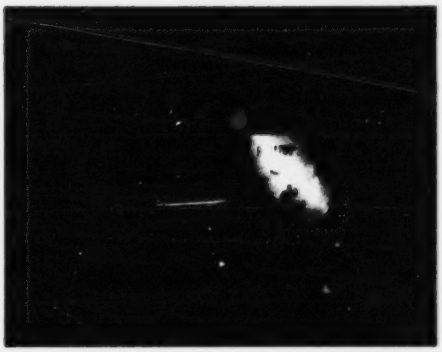


Dental Clinic

The Halton Regional Health Department headed by the Medical Officer of Health, Dr. G. Pollett, employs 166 interdisciplinary professionals in seven areas; Behaviour Management Programs, Dental, Environmental Health, Home Care, Nursing, Nutrition and Parent / Infant Programs. Prevention, protection and education are the goals of the health team.

The Community Dentistry Division provides various dental services, including oral hygiene instruction, dental health education at schools, the fluoride rinse program in non-fluoridated areas, and a geriatric program. In 1985, there were 107 schools visited, giving approximately 36,000 students dental and nutritional education in scheduled classroom visits.

Elementary School Registration



Environmental Health Inspectors protect the public by surveillance of food distribution establishments, private sewage disposal and water supply. Educational courses to foodhandlers and swimming pool operators are offered.

Community health nurses touch the lives of thousands of Halton residents in a year. Programs include maternal-child health, mental health, immunization, family planning, lifestyle education, palliative care, and senior citizen services. Counselling, teaching and nursing care are provided in the home on request or referral. A large component of Community Health Services is the School Health Program. In 1985, approximately 3,000 nursing assessments were conducted on children entering school. Complete health, immunization and dental histories were obtained. Students with specific health problems are monitored by the nurse throughout their school years. Vision and hearing testing is provided on a regular basis. School care services available through Home Care are designed to meet the needs of students with medical problems.

The Nutritionist provides education information and advisory services to community agencies, organizations and groups to promote optimum nutritional health for citizens in Halton.

Parent / Infant Programs assist parents of infants "at risk" for delay in reaching normal developmental milestones in their first 2 years of life, through counselling and teaching.

The Behaviour Management Program utilizes behaviour management techniques with developmentally handicapped children and adults in the community.

# Health Department
# Statement of Revenue & Expenditure



for the year ended December 31, 1985
(with comparative figures for 1984)

| | 1985 BUDGET | 1985 ACTUAL | 1984 ACTUAL |
|---|---|---|---|
| **REVENUE** | | | |
| Province of Ontario | | | |
| Ministry of Health | | | |
| — general | $ 3,064,200 | $ 2,864,922 | $ 2,550,830 |
| — special programs | 3,219,340 | 3,943,955 | 3,099,551 |
| Ministry of Environment | 45,700 | 44,886 | 48,560 |
| Regional Municipality of Halton | 1,014,850 | 951,898 | 839,663 |
| Permits and fees | 83,050 | 81,034 | 81,308 |
| Other revenue & recoveries | 49,200 | 61,313 | 55,192 |
| **TOTAL REVENUE** | $ 7,476,340 | $ 7,948,008 | $ 6,675,104 |
| **EXPENDITURE** | | | |
| General health program | | | |
| Salaries | | | |
| V.D. educational services | $ 25,350 | $ 26,448 | $ 17,114 |
| Medical | 67,450 | 67,545 | 16,320 |
| Nursing (net of chargeback to home care) | 1,773,850 | 1,681,061 | 1,517,469 |
| Inspection | 457,700 | 445,150 | 405,814 |
| Dental | 176,100 | 169,244 | 162,388 |
| Audio-visual | 110,350 | 109,004 | 105,810 |
| Administration | 469,500 | 470,703 | 439,794 |
| Other expenditures | | | |
| Professional fees | 38,500 | 38,609 | 38,987 |
| Employee benefits | 490,150 | 404,896 | 384,416 |
| Travel | 186,950 | 164,490 | 156,657 |
| Material and supplies | 37,650 | 34,102 | 28,650 |
| Rent and utility services | 205,900 | 193,585 | 152,965 |
| Administration | 217,550 | 201,039 | 149,181 |
| | 4,257,000 | 4,005,876 | 3,575,565 |
| Special programs | | | |
| Family planning | 139,300 | 100,986 | 93,028 |
| Home care | 2,616,938 | 3,320,925 | 2,547,474 |
| North Halton mental health | 272,588 | 311,223 | 255,937 |
| Parent infant | 148,300 | 138,692 | 140,252 |
| Behaviour management | 38,350 | 28,936 | 34,222 |
| Other | 3,864 | 41,370 | 28,626 |
| **TOTAL EXPENDITURE** | $ 7,476,340 | $ 7,948,008 | $ 6,675,104 |

# Halton Regional Police Force
# Major Services

In 1974 the Police Forces of the City of Burlington and the Towns of Halton Hills, Milton and Oakville were reorganized into one force. The total strength was 205 officers and 45 civilian members, and the Ontario Provincial Police continued to police some areas of Halton until 1975. At that time, the Halton Police Force was expanded to the point where it was able to assume responsibility for the entire area. The current strength of the Force is 311 officers and cadets and 118 civilians. The area covered is 987 $km^2$, with a population of 265,000. In recent years, the force has emphasized crime prevention, pro-active and community policing programs as opposed to the traditional reactive mode.

The Force has all the resources a modern police agency requires, such as a Harbour Patrol, Identification Bureau, Drug and Morality Squad, Polygraph Unit, Training Bureau, Audio / Visual Unit, Community Relations Bureau, Intelligence Unit, and a Planning and Computer Bureau.

In 1985, the two major initiatives undertaken were the computerization of the Records System and the installation of the 911 Emergency Reporting System. In addition, 4 police officers were added to the Force to maintain the present level of service, especially in the rapidly growing communities of Oakville and Burlington.

What is the 911 System? 911 is a single emergency telephone number within The Regional Municipality of Halton. It makes it faster and easier for anyone in Halton to acquire emergency assistance, be it fire, police, or ambulance service. The three digit number – 911 – is a brief and easily remembered number that is now being used as a standard number throughout North America.

Police Cruiser

911

# Halton Regional Police Force
# Schedule of Operations



for the year ended December 31, 1985
(with comparative figures for 1984)

(Dollars in Thousands)

| | 1985 BUDGET | 1985 ACTUAL | 1984 ACTUAL |
|---|---|---|---|
| **EXPENDITURE** | | | |
| Commissioners' salaries and expenses | $ 51,300 | $ 46,542 | $ 36,432 |
| Employees' earnings and benefits | | | |
| Salaries | 13,708,805 | 13,541,209 | 12,834,484 |
| Benefits | 2,313,095 | 2,338,561 | 2,202,698 |
| Supplies and maintenance | | | |
| Uniforms and equipment | 138,675 | 129,427 | 128,785 |
| Building repairs, maintenance and rentals | 441,600 | 433,841 | 307,399 |
| Office supplies and expenses | 125,800 | 128,025 | 110,583 |
| Vehicle operation | | | |
| Gasoline and oil | 315,000 | 335,871 | 304,071 |
| Vehicle repairs and maintenance | 255,275 | 227,939 | 248,206 |
| Other service charges | | | |
| Communications | 468,800 | 459,661 | 350,279 |
| Utilities | 102,500 | 157,723 | 93,487 |
| Insurance | 71,200 | 56,350 | 67,449 |
| Others | 239,950 | 217,043 | 228,629 |
| Charges for net long-term liabilities | | | |
| Principal | 283,400 | 283,392 | 194,552 |
| Interest | 334,200 | 334,869 | 331,094 |
| Transfers for capital expenditures | | | |
| Buildings | — | — | 4,964 |
| Vehicles | 280,500 | 264,538 | 293,856 |
| Equipment | 182,650 | 205,001 | 186,047 |
| Transfers to reserves | | | |
| Sick leave | 50,000 | 50,000 | — |
| Vehicle replacement | 30,000 | 47,737 | 300,000 |
| **TOTAL EXPENDITURE** | 19,392,750 | 19,257,729 | 18,223,015 |
| Less: Fees and service charges | 186,700 | 140,736 | 185,613 |
| Transfer from reserve | — | — | 247,547 |
| **NET EXPENDITURE** | $ 19,206,050 | $ 19,116,993 | $ 17,789,855 |

# Halton Region Museum

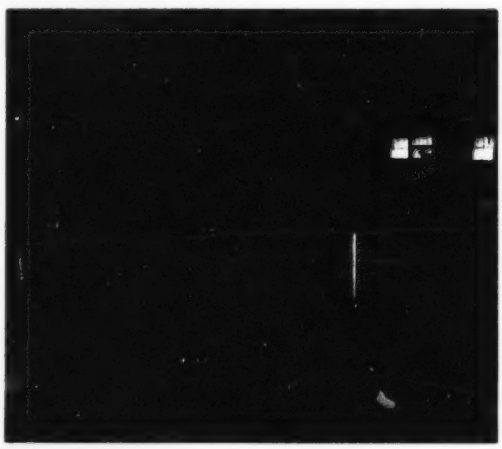


The goal of the Halton Region Museum is the collection, preservation, research, interpretation, and exhibition of the material history of Halton.

The Halton Museum is located in Kelso Park in Milton and is situated on the settlement farm of the Alexander family. Four of the Museum's six buildings were built and used by four generations of the Alexander family to farm the site from the 1830's to the 1960's.

Halton Region Museum

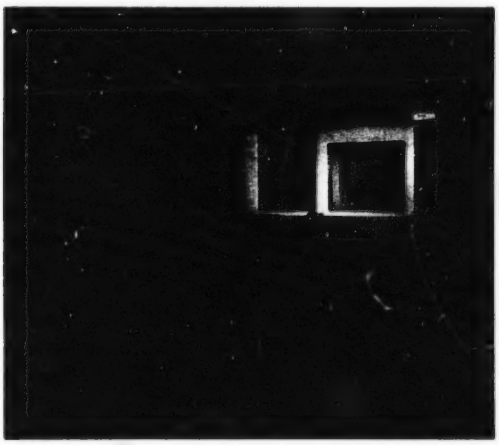
Beginning as the Halton County Museum in 1962, the Museum had to convert the Alexander's 1850's barn into a showplace for the small artifacts collection. As the collection grew through the donations of many people in Halton and the surrounding area, other buildings were transformed to museum use. Within a few years, it was necessary to build the Carriage House to display the many cutters, wagons and carriages that were donated.



Artifacts displayed in Carriage House

In the 1970's, the move of the 1830 settlers' log cabin to this site from the Campbellville area was organized. The artifacts displayed in these buildings tell the story of Halton's development from pioneer times to the middle of the 20th century.

With almost 30,000 artifacts displayed throughout the 18,000 square feet of museum space, the Halton Region Museum has something to interest and inform everyone. The Museum provides an education program for both the general public and the school children of Halton.



Far right: Former Halton County Councils

# Halton's Heritage



When the first "white men" arrived, the Halton area was occupied by a branch of Algonquin native peoples called the Mississaugas. These tribes had moved into the area in the mid-1700's approximately one hundred years after wars and disease had decimated the Petun, Neutral and Huron native populations. The Mississaugas were fishermen, hunters and gatherers, and also indulged in some limited farming.

The American Revolution of the 1770's was to have a far-reaching effect on the Halton area. Loyalists began their migration in small numbers. To accommodate them, several blocks of land were purchased. In 1805, after the signing of a new treaty, a strip of land six miles wide north of Lake Ontario was turned over to the British. The Mississaugas retained fishing rights along the Twelve and Sixteen Mile Creeks, the Etobicoke Creek and the Credit River. The area was surveyed using Dundas Street (now Highway 5) as a baseline (cleared 1793). Two concessions were created to the north and three to the south. Nelson and Trafalgar Townships were opened for settlement.

During the War of 1812, Dundas Street was further developed as it became a major military route. Settlers along the lakeshore experienced looting by both sides.

The post-war period saw the British take a greater interest in Canada. Many settlers emigrated to the new land. United Empire Loyalists, however, were of varying backgrounds including German and Dutch. By 1819, the remainder of Halton had been purchased and surveyed. Nassagaweya and Esquesing Townships were created.

In 1827 the Mississaugas sold their fishing rights and moved to a reserve on the Credit River. Several years later, in the 1840's they moved again, to a reserve on the Grand River.

The first white settlers used trails made by the native peoples. Some, such as Plains Road in Burlington, later became roads. Dundas Street became a settlement and communications link (stagecoach and mail service 1816).

Water provided the first mode of transportation for the early settlers. Settlement clusters were created along Lake Ontario and Burlington Bay which developed into shipping and trading centres.

During the post 1819 period, settlements grew around dam sites and grist and saw mills. Until the late 1800's, lumber and wheat provided Halton's main sources of revenue.

Until 1841, Halton and Wentworth Counties were one unit and part of the area known as Gore District. (Halton was named after William M. Halton, Secretary to the Governor General of Canada. He later served as Agent for Upper Canada in Britain.) The two counties were separated in 1853.

Halton was the second smallest county in Ontario. The diversified soil lent itself to fruit farming as well as the growing of wheat, barley, oats, rye, root crops, and the raising of livestock. Many industries were spin offs from these agricultural endeavours.

The coming of the railroads was to bring more changes to Halton County. (Credit Valley Railroad 1856, C.P.R. 1888, Hamilton North Western 1877, Grand Trunk 1855). They provided shipping competition for the lake ports and greater shipping opportunities for the agricultural, industrial and manufacturing sectors. Communities through which the railroad passed experienced increases in growth, while the others tended to stagnate or disappear. This pattern continued into the twentieth century.

On January 1, 1974, the County of Halton became The Regional Municipality of Halton consisting of the three towns of Oakville, Milton and Halton Hills, and the City of Burlington.